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NEWS SUMMARY

...horpe found ...t guilty

...R Liberal leader ... Thorpe and three ... were yesterday ...of plotting to murder ...male model Norman ...

...ed with Thorpe ...David Holmes, 49, ...Wales businessmen ... Mesurier, 49, and ... Deakin, 39. All had ... not guilty.

...e, 50, was also found ...ty of trying to per... Holmes to murder ... charge which he ...

... the hearing, ... solicitor, Sir David ...ssued a statement on behalf of the former Liberal leader. He said: "I have always maintained that I was innocent of the charges brought against me.

"The verdict of the jury, after a prolonged and careful investigation by them, I regard as totally fair, just and complete vindication.

"Quite apart from the devoted and unswerving support of my wife and family, and the dedicated professional work of my solicitors and counsel, I want to express my very deep appreciation for the countless messages of encouragement and support received from all over the world."

...AL

... Syrian ...lets ...ssacred

...o Syrian army cadets ...en killed and 54 ... in a massacre in ... Syria.

... Syrian Government ... said the killings, ...ppened last Saturday, ...ried out by members ... extremist Moslem ...ood.

...dets were cut down in ... machine-gun fire and ...nades at the artillery ... Aleppo, the Syrian ...ion Minister said.

...eotti resigns

...ndreotti, Italian Chris...mocrat caretaker Pre...ficially tendered his ...on to President Pertini ...t. Most likely candi... new Prime Minister ... are Andreotti or ...Democrat Party chair...ninio Piccoli.

...nen jailed

...entences ranging from ...8 years were passed ...y on nine Glasgow men ...uilty of plotting to ... the aims of the ...nt Ulster Volunteer ...

...'flies to UK'

...s new President Godfrey ... proclaimed a Govern... unity, and said his ...sor, Professor Yusufu ...ad flown to Britain. ...'s budget, Page 2

... pay delay

... Transport yesterday ...d acceptance of an ...on award giving 23,000 ...orkers pay rises worth ...4 per cent because it ... place it "in acute ... difficulty." Page 4

...tion hopes

...oples' National Party, ...r to Dr. Kwame ...h's Convention People's ...was set yesterday to take ...lute majority in Ghana's ...eneral Election in ten ... Page 2

...oners flee

...risoners remanded in ... on burglary charges ...ay escaped from a van ... them to Dorchester ... Dorset.

...ly . . .

...r Nikola Kavaja was ...ay flown from Ireland ... U.S. to face charges ...ng air piracy.

...shop of Canterbury, as ...ent of the RSPCA, called ... Government ban on ...oil imports.

...istan expelled BBC ...ondent Geoff Robertson. ...son was given.

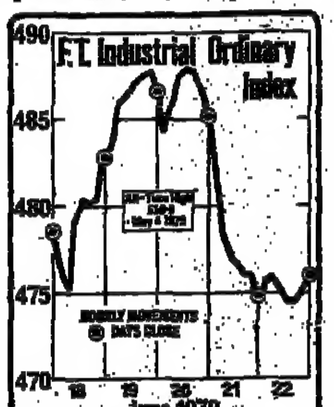
...er Keith Moon, who ...ast year, left £357,599 ...£128,329 net.

... fans can expect plenty ...eap strawberries for ...edon next week. A good ... likely to reduce prices.

BUSINESS

Gold at new peak; Gilts easier

● EQUITIES were subdued and the FT ordinary index closed 1.1 up at 476.0.



● GILTS eased generally and the Government Securities index closed 0.16 down at 76.80.

● STERLING rose 15 points to $2.1415, but its trade-weighted index slipped back to 68.6 from Thursday's three-year peak of 68.9. The dollar remained weak and its index fell to 85.2 (85.7).

● GOLD rose $¾ to $282¼ in London—a new high.

● WALL STREET was 3.12 up at 846.76 just before the close.

● PERSONAL bank lending rose by 6 per cent in the quarter to mid-May, bringing the rise in the 12 months to May to 24 per cent, Bank of England figures show. Back Page; Figures, Page 4

● PRESIDENT CARTER has the authority to issue standards on prices and wages and can black companies that fail to comply, the U.S. Court of Appeals has ruled.

BP buys Beatrice stake

● BP is to pay P & O Group £32m for its North Sea interests, which include a 15 per cent stake in the Beatrice Field. Page 18 and Lex

● CANCELLATION of the current rating revaluation will result in the loss of 1,400 civil servants' jobs and a saving of £5m over three years. Back Page

● POWER WORKERS union has warned the Government of its total opposition to any plans to sell parts of the electricity supply industry to private sector buyers. Page 4

COMPANIES

● SCAPA GROUP pre-tax profits rose to a record £8.79m from £7.14m for the year to March 31. Page 18

● HAWTHORN LESLIE was given a mandate by shareholders to go ahead with its purchase of Jedmond Engineers, but 16 per cent of the votes went missing during a poll of shareholders. Page 18

● RIVINGTON REED pre-tax profits for the 53 weeks to March 31 slumped from £1.09m to £351,000 on turnover for the year up from £12.83m to £23.16m. Page 18

...F PRICE CHANGES YESTERDAY

...in pence unless otherwise indicated)

RISES			FALLS		
...& Jackson	268	+ 13	Southern Pacific ...	300	+ 25
...yside Props.	80	+ 3	Treasury 13pc 1990	£100⅝	— ⅞
...	97	+ 3	Amal. Power	100	— 10
...s Withy	296	+ 8	European Ferries ...	141	— 6
...	262	+ 5	GUS "A"	364	— 6
...ont. Gas	488	+ 11	Hargreaves Gp. ...	54	— 5
...eld Brewery	368	+ 8	Highgate & Job ...	58	— 10
...) Defd.	96	+ 3	House of Fraser ...	188	— 4
...ent Financial	92	+ 6	ICL	452	— 5
... Elect.	470	+ 8	Kitchen (R. Taylor)	170	— 7
...l Props.	115	+ 6	Metal Box	274	— 10
...la Carpet ...	25	+ 2	Perry (H.)	133	— 8
...e Dev.	173	+ 15	Rivington Reed ...	44	— 8
...	1,210	+ 28	Kuala Lumpur Kepong	71	— 6
...s (UK)	234	+ 10	Kulim	46	— 3
...gar	318	+ 12	Rio Tinto-Zinc	282	— 9
...l Pacific	730	+ 60			

Joint oil strategy vital to prevent grave crisis—EEC

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT IN STRASBOURG

The deepening problems caused by oil shortages and price rises can be prevented *from developing into a full-scale world economic* crisis only if the consuming countries agree urgently on a joint strategy in which the oil producers are urged to participate, the EEC has concluded.

Leaders of the nine Common Market countries agreed at their European Council meeting yesterday that, as a first step in this direction, the EEC should ask the U.S., Japan and Canada at next week's Western economic summit in Tokyo to associate themselves with a number of broad measures decided here over the past two days.

They pledged themselves, in particular, to continue cutting energy consumption and to keep the volume of the EEC's annual oil imports between now and 1985 at or below the same level as last year. In 1978 the Community imported about 480m tonnes of oil.

In an official communique, the leaders said that an effort on this scale would succeed only if other consumer countries took similar action to restrict their imports. "*If such a strategy* cannot be worked out, the world will rapidly move towards a large-scale economic and social crisis," it warned.

The energy objectives were vigorously backed by Mrs. Margaret Thatcher, Britain's Prime Minister. She also said that she had obtained from other EEC leaders everything she could possibly have asked for in response to the UK's demands for a correction of the imbalance in its payments to the Community budget.

But she added that the "acid test" would be the next EEC summit in Dublin next November. The leaders have agreed to discuss three possible changes in the budget system on the basis of analyses and proposals to be made by the European Commission and *Finance Ministers of the Nine.*

According to UK estimates, the setlement will add about £150m to its net budget contribution, which was already expected to exceed £1bn next year on the basis of existing EEC policies.

Mrs. Thatcher denied, however, that Britain's assent to the settlement was linked to its efforts to extract from its Community partners concessions over its budget payments.

The decisions on energy reflect compromises on several sides. France has now accepted that the EEC can achieve little without the active cooperation of other industrialised countries, while West Germany has agreed, albeit somewhat sceptically, to the setting of oil import targets. It will be up to individual countries to meet these targets in their own way.

The EEC has also agreed to press *at the Tokyo summit* for the world-wide implementation of a system of registering transactions on the spot market

The final communique after the Council also stated that:

● Results of the first three months' operation of the European Monetary System were "positive." Monetary co-operation between members must be strengthened and preparations for establishing a European Monetary Fund should be expedited.

● Oil supply problems made it even more important for the Nine to co-ordinate closely their economic policies and particularly their *budget policies next* year. The fight against inflation should continue.

● Efforts should be made to ensure the success of EEC proposals for a United Nations conference to discuss the Indochina refugees.

● Japan should continue to be urged to take all appropriate measures to reduce its trade surplus with the Community by opening its market to European exports.

A chastened Community at the Summit, Page 16

Butter subsidy

A 6p a pound fall in the price of butter is expected to result from an EEC butter subsidy for Britain agreed during farm price negotiations in Luxembourg. Back Page

Money supply curb has priority

By Gue de Jonquieres, Common Market Correspondent, in Strasbourg

MRS. MARGARET THATCHER made clear yesterday that the *Government was determined to* give curbing domestic money supply priority over stabilisation of the *sterling* exchange rate in the immediate future.

But *she indicated after* the meeting of EEC leaders in Strasbourg that Britain would study the implications for the pound of any decision to take *part in the European Monetary* System.

Mrs. Thatcher did not appear concerned by the possibility that the maintenance of MLR at its *present level might produce the* reverse of the intended effect by drawing capital into Britain which would in turn swell monetary growth.

The Government intended to study closely in the next few weeks how Britain might be affected if sterling were part of the European Monetary System.

The examination would cover the implications of joining the EMS with fluctuation margins of 6 per cent, the same as for the Italian lira, and with the 2¼ per cent margin observed by other member-currencies.

Intentions

Mrs. Thatcher appears to have given the other leaders no further indication of Britain's intentions toward the EMS, *repeating that the Government* would not take a decision before September, when the EEC is due to review the system's operation.

She *said the Minimum Lending* Rate would be kept at 14 per cent until the recent strong expansion of money supply was brought under control, even though high interest rates were helping to push the pound higher on foreign exchange markets.

She preferred a strong pound to a weak one, in view of the recent sharp rise in the cost of oil imports, adding that she believed it impossible to stabilise the exchange rate in present circumstances.

The rate had also been boosted, she said, by Britain's North Sea oil earnings, which had turned the pound into a "petro-currency," and because the recent relaxation of exchange controls had had the perverse initial effect of encouraging capital inflows.

She added that further exchange control relaxation would proceed only cautiously.

Peter Riddell, Economics Correspondent, writes: The

Continued on Back Page
Money Markets, Page 25

Italy bans UK charter flights

BY LYNTON McLAIN IN LONDON AND PAUL BETTS IN ROME

ITALY YESTERDAY banned all British charter flights into the country in protest at a refusal by Mobil to give Itavia, *a private Italian airline*, more than its agreed allocation of fuel at Gatwick Airport, London on Thursday.

Thousands of holiday makers were immediately affected by the ban, *although* passengers were already delayed by the strike of UK air traffic controllers.

Scheduled flights by all British airlines were also hit by a ban on refuelling stops and technical stops in Italy though regular flights which start or end in Italy will probably not be affected.

British Airways said last night that it had been hit by the ban as early as Thursday. The airline's London to *Johannesburg* flight, which usually refuels at Rome, was forced to land at Athens. The Hong Kong flight was also expected to be hit.

Mobil has told its customers they can have only 90 per cent of the air fuel they consumed last year.

But there has been a substantial growth in demand for air services this year. Itavia—the only Italian charter airline operating between Italy and the UK—*has been hit hard as a* result of expansion in its charter flights. The airline also operates Italian domestic routes.

Itavia is understood to have put pressure on the *Italian* authorities to persuade the British Government to intervene on its behalf to ensure adequate fuel alowances for it at Gatwock fuel allowances for it at Gatwick.

The Trade Department said yesterday it had lodged immediate formal protests about Italy's "precipitate action" with the Italian Embassy in London and with the Foreign Affairs Ministry in Rome. It maintained that the problem of fuel allocations was a matter for the oil companies.

The Italian Embassy in London, however, said last night *that "no protest has been* received in London or Rome," although the governments had been in touch with each other to find a solution to "some inconveniences which arose from the unwillingness of an oil company to refuel aircraft of Itavia."

Up to 3,000 British charter flights land in Italy each year and Italy is understood to be dissatisfied with the proportion *of charter trade held by each* country. Italy carries only 8.6 per cent of this traffic.

Charters are not part of the air services agreement with Italy and the country is legally entitled to ban them unilaterally. *However, this is the first* time there has been an inter-Government row about aircraft fuel allocations.

Yesterday, 1,200 people were *due to leave Gatwick on charter* flights to Italy. One British Caledonian flight to Milan was diverted to Nice Airport, France. Passengers continued *their journey by road.*

The airline was drawing up plans last night for its five charters to Italy due to leave this morning. British Airtours has nine charters to Italy planned for today, and other 1,200 people are expected to be affected.

British charter airlines agreed last night to help Itavia's flights get away at the weekend. They also agreed to help meet the airline's fuel commitments to the end of the month.

Sue Cameron writes: Mobil yesterday stressed that Itavia had been tryin gto exceed its ration of jet fuel despite "repeated warnings" that extra supplies would not be available.

But British Petroleum, which has not had to ration jet fuel as stringently as some oil compaines, revealed that it offered Itavia extra supplies two weeks ago. The offer was ignored—even though it was Itavia which approached BP for extra *supplies via the Department of* Trade.

Mobil stressed that it would have been unfair to its other customers to have supplied *Itavia with the extra 1800* gallons it had demanded.

Air services disrupted

BY PHILIP BASSETT AND GARETH GRIFFITHS

AIR SERVICES, particularly from Heathrow and Glasgow were disrupted yesterday by a one-day strike over scientists' and engineers' pay by professional civil servants.

The Institution of Professional Civil Servants estimated that more than four-fifths of its 100,000 traditionally moderate members had followed the union's instructions to stop work.

Heathrow handled a quarter of its normal flights. Arrivals and departures, normally 70 an hour, fell to 18 an hour.

Continued on Back Page

Volkswagen 'may seek to buy Chrysler plants'

BY OUR FOREIGN STAFF

VOLKSWAGEN of West Germany might start negotiations to buy some of the Chrysler Corporation plants in *the U.S. which have been closed* or have unused capacity, according to the West German Cartel Office.

Both companies denied a report originating in Detroit that VW was to take over Chrysler completely at a price which valued the U.S. group at $1bn.

As a result of this suggestion the West German Cartel Office contacted VW and Dr. Kurt Markert, head of the office's merger board, said later: "It appears Volkswagen may be interested in taking over or leasing Chrysler factories which are currently shut down or are not producing at capacity."

VW and Chrysler both refused to comment on the Cartel Office's disclosures.

The merger report originated in Automotive News, a respected U.S. magazine. After the flood of denials, Mr. Robert Lienart, the editor, stood by the story, claiming that denials could be expected until VW filed the relevant documents with the *Securities and Exchange Commission.*

Dealings in Chrysler's stock had not re-opened by early afternoon yesterday after closing on Thursday at $7¼ up ⅛. Yesterday's delay was because of order imbalance caused largely by buyers trying to buy stock to cover short positions.

The Automotive News report suggested VW would offer $15 a share. Mr. Lee Iacocca, Chrysler's president, after saying he knew nothing about a bid, reportedly described this as "asinine" because the group's book value was in the region of $42 to $43 a share.

After the Cartel Office statement, speculation in the U.S. centred on Chrysler's largest plant at Hamtrack, Michigan, which is to be closed next summer. The 70-year-old facility is well served by rail and shipping links but is much less efficient than modern plants.

When it opened its first U.S. assembly plant in Pennsylvania *a year last April,* VW was already discussing the possibility of building a second. Demand looks strong enough to account for all of the 200,000 Rabbit small cars a year being assembled in Pennsylvania so that acquiring a second plant must look attractive to VW.

But it is also thought possible that VW might wish to manufacture engines and transmissions in the U.S. largely because it cannot meet worldwide demand for its four-cylinder diesel engines.

Moreover, Chrysler wants to buy more than the 300,000 petrol engines it is purchasing from VW for its own small cars.

Earlier this week there were rumours in New York, still unsubstantiated, that Chrysler's financial crisis had seriously deteriorated in the last few weeks and that the company was urgently seeking Govern-

GKN to sell Lysaght stake

BY TIM DICKSON

ONE OF Europe's biggest engineering companies, Guest Keen and Nettlefolds, is selling its stake in sheet steel making in *Australia for A$90m (£46.8m).*

GKN announced yesterday that it has agreed to sell its 50 per cent stake in John Lysaght (Australia) to The Broken Hill Proprietary Co., Australia's biggest industrial group and GKN's partner in Lysaght for the past 10 years. The consideration includes a half-share in a A$5m *dividend to be paid in respect* of the current financial year.

The deal represents by far the biggest disposal yet in GKN's policy of simplifying its activities. *In the past couple of* years the company has concentrated on cutting out the less profitable parts of its business, particularly in the UK, while identifying specific areas for *future growth.*

Explaining the latest development, GKN said it did not consider its stake in Lysaght "relevant to the company's future *strategy.*"

From Broken Hill's point of view, however, the deal provides the opportunity to make economies of scale by merging *Lysaght's production with its* other steel interests.

Proceeds from the disposal will be used by GKN for other overseas capital expenditure, *although the company declined* to be more specific last night.

So far, GKN has outlined two main activities on which it will concentrate its future growth: automotive components and industrial and whole distribution.

As part of that policy the group only last month made a £40m takeover bid for Sheepbridge Engineering.

Last night, GKN's share price closed 5p up at 262p.

Lex, Back Page

£ in New York

—	June 21	Previous
Spot	$2.1465-1475	$2.1330-1340
1 month	0.62-0.57 dis	0.77-0.72 dis
3 months	1.65-1.60 dis	1.86-1.81 dis
12 months	4.80-4.70 dis	5.00-4.90 dis

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OVERSEAS NEWS

President Assad of Syria.

Syrian army cadets massacred

By Our Foreign Staff

THIRTY-TWO SYRIAN army cadets have been killed and 54 wounded in a massacre in northern Syria. The Syrian Government announced yesterday that the killing, which took place last Saturday, was carried out by members of the Moslem Brotherhood, an extremist group.

Brigadier Adnan Dabbagh, the Syrian Internal Affairs Minister, said in Damascus yesterday that cadets were cut down in a hail of machine-gun fire and hand grenades at the artillery school in Aleppo. He claimed that the Moslem Brotherhood bribed a Syrian army captain who was duty officer at the artillery school to let them into the building. The cadets were ordered to assemble in the school club and were gunned down within minutes.

According to unconfirmed reports from Damascus the victims of the massacre were members of the minority Alawite sect, of which President Hafez Assad and many of his closest associates in government are members. If this is so then President Assad could be facing a severe internal threat to his regime.

Partly for religious reasons alone and partly because of the influential role some Alawites have obtained in Syria, members of the sect have been victims of a number of murders, ambushes and bomb explosions over the past three years.

Yesterday Brig. Dabbagh admitted officially for the first time that there had been a series of assassinations in Syrian towns since President Sadat of Egypt's visit to Jerusalem in November 1977. They had ocurred in Damascus, Aleppo, Hama and other cities, he said. He claimed that the Moslem Brothers were responsible.

Reuter reports from Beirut that three Syrian military intelligence officers are said to have been shot dead in broad daylight in Hama in northern Syria earlier this month.

Observers in Syria believe that many of the attacks have been carried out by Sunni Moslems, who are the majority religious group in Syria, rather than by the extremist Moslem Brothers. Many Sunnis in Syria resent the political predominance of the Alawites and their feelings are exacerbated by religious sentiments dating back hundreds of years.

President Assad, who came to power in a military coup in 1970, has given Syria the longest period of stability in its post-independence history. He has stayed in power by carefully balancing the many different political and sectarian forces in Syria and has been careful to offset the Alawite predominance in the leadership with appointments of Sunnis and other groups to very senior positions. As an additional safeguard he has built up a number of powerful internal security groups to protect himself and his associates.

To a large extent this policy has so far succeeded in minimising the effect of the persistent attacks on Alawites. But the Aleppo killing is on a far bigger scale than anything experienced so far and, if it was an attack on Alawites, it puts Mr. Assad in the difficult position of having to choose between concessions to other groups, which could weaken his hold on power, and repression, which could be counter-productive.

Brig. Dabbagh said that a large scale hunt for the Aleppo assassins was going on all over Syria. A number of men had been captured, he said, but according to Reuter the Syrian army Captain, Captain Yusuf, who is aid to have led the attack, is reportedly still at large.

Italy payments show deficit

ITALY'S overall balance of payments last month showed a deficit of L87bn (£48.8m) compared with a surplus of L554bn in May 1978, according to official figures released yesterday.

However, Italy's overall payments position in the first five month of this year still showed a substantial surplus of L1151bn. This is, nevertheless, lower than the surplus of L1446bn recorded during the same period last year.

The May deficit, in part, reflects loan repayments

U.S. changes fuel priority from farms to trucks

BY STEWART FLEMING IN NEW YORK

THE CARTER Administration is ending its priority allocation of diesel fuel for agriculture a month early in an effort to improve supplies to striking independent truck drivers.

In May President Carter had announced that farmers would be supplied with their full fuel requirements to ensure that crops could be planted in what threatened to be a shortened planting period because of bad weather.

The priority allocation was due to expire at the end of July, but over the past two weeks growing diesel fuel shortages have sparked mounting violence and a work stoppage amongst independent truck drivers whose livelihood is threatened by dwindling supplies of diesel and sharply rising prices.

The work stoppage went into effect on Thursday. Early, but not necessarily reliable, estimates by trade associations suggest that as much as 40 per cent of the nation's road hauling capacity has ground to a halt as a result of either work stoppages by independent truckers or threats of violence against truckers who attempt to move their vehicles.

The Administration's action to eliminate agriculture's priority for diesel supplies should make more fuel available for truckers, but railways too will be scrambling for supplies because their stocks are running low. The move does not fully meet the hauliers' grievances, however. The Administration may have to offer more to get them back to work and avert disruptions which are beginning to threaten food and fuel supplies.

David Lascelles adds: The large U.S. oil companies, chafing under domestic oil price controls, are reported to have hinted to the Administration that they might stop shipping certain quantities of oil to the U.S. unless the regulations are eased.

Their grievance centres on the so-called transfer-pricing rule, which is designed to discourage international oil companies from transferring oil to their U.S. refining subsidiaries at artificially high prices.

The Department of Energy gathers data on oil prices and sets a price range for trades of this kind on the basis of a monthly average.

However, oil companies argue that this prevents them passing on the sharply higher prices they must now pay for crude obtained on the spot market.

In an interview with the Wall Street Journal yesterday, Dr. James Schlesinger, Energy Secretary, confirmed that he had had talks with the oil companies about this problem, and had gathered that they might well divert oil away from the U.S. unless something was done about it.

In fact, it is highly unlikely that the oil companies would hold back oil shipments to the U.S.—the political and economic repercussions would be too great. However, the episode is further evidence of the complexities and strains of the U.S. oil supply situation. If the DOE were to ease the transfer pricing rule — and Dr. Schlesinger expressed some sympathy for the oil companies' position—it would quickly be reflected in higher domestic petrol prices.

Army planning new strike force

BY DAVID BUCHAN IN WASHINGTON

THE U.S. army is drafting plans for a strike force of 110,000 to respond speedily to crises outside the NATO area, such as in the Middle East or the Gulf.

General Bernard Rogers, retiring army chief of staff, who is leaving his present job to suceed Gen. Alexander Haig as NATO commander, has explained that this force, nicknamed the "unilateral corps," would consist of the 82nd airborne — the crack U.S. quick alert division—and some other existing units not committed to NATO, and would not be an addition to U.S. military strength.

Despite the General's insistence that the force would not be specifically aimed at protecting oil routes in an emergency, the question of military force has figured recently in U.S. contingency planning on the Middle East. There has also been some speculation that the U.S. might be tempted to send its own troops into Nicaragua if a broader multinational peacekeeping force cannot be agreed.

The Defence Department qualified General Rogers' remarks at a farewell Press conference this week, by pointing out that the army plan was only a draft and had yet to be approved by President Carter. Planning for the new corps has been headed by Gen. Edward Meyer, whom Mr. Carter has picked as the new army chief of staff.

According to the army draft plan, the new corps would not be assembled in any one place. The aim of the plan would be to provide U.S. commanders with a ready force, without their having to go through the time-consuming process of identifying and calling up suitable and available units.

Turkey restructuring $1.7bn debt

BY METIN MUNIR IN ANKARA

TURKEY IS preparing a programme to restructure non-secured trade arrears to foreign suppliers totalling up to $1.7bn. The programme, which is being drawn up with a political crisis impending, is promised in Turkey's letter of intent with the International Monetary Fund.

The letter of intent is expected to be signed before July 6 and a one-year stand-by agreement for 210m SDRs ($275m) is due to be approved by the IMF's board of directors about two weeks later.

However, Mr. Bulent Ecevit, the Turkish Prime Minister, admitted yesterday that "the situation is very grave." Referring to the recent wave of defections from his Cabinet and party he said that the opposition "with very irresponsible timing is trying to create a Government crisis. I hope that within a very short period the crisis will be alleviated. There is no question of the Government falling at this timt."

He said that a crisis could endanger the agreement which Turkey had reached with the IMF.

Mr. Ecevit's party has recently been boycotting sessions of the Turkish National Assembly to prevent a quorum being reached and various motions of censure being discussed. His Ministers say that he is planning to continue this boycott until July 3 when Parliament recesses for four months.

Mr. Ecevit said yesterday that an early election would not solve the present crisis since it would block the arrival of credits from abroad.

In his 18 months in office Mr. Ecevit's Government has arranged the rescheduling of over $4bn of foreign exchange arrears inherited from his predecessor, Mr. Suleyman Demirel. The last major rescheduling to be done is of non-secured trade arrears to foreign suppliers. A senior official at the Ministry of Finance said that it is planned to propose two alternative schemes. The first is that suppliers would be able to draw their money immediately in Turkish liras from the Central Bank and use these to buy stocks or put in new investments.

Most suppliers are expected to opt for the second alternative which foresees repayment in foreign currency over a period of seven years. The first repayment, of 5 per cent of the principal, would be after three years. Repayment would be in mounting six-month instalments, with 55 per cent of the principal being repaid in the last three such payments.

The non-secured arrears are perhaps the most complicated of the various arrears, with over 19,000 separate creditors. The official said that the scheme could be ready before the end of the year. But the banks considering a fresh loan of around $400m to Turkey have insisted that the Turkish Government make a statement on this matter before they agree to make pledges.

In May 1978 Turkey agreed not to offer more favourable repayment terms to unsecured creditors than it would offer to secured creditors. Only after agreement is reached with the IMF can Turkey hope to receive either the fresh money promised by the banks or $906m of "emergency aid" agreed on by Western Governments at Paris in May.

On Thursday the U.S. House of Representatives rejected by 303 votes to 107 a measure already passed by the U.S. Senate to grant Turkey $50m military aid. The House vote, in part, reflected disappointment at what Turkey has done to ensure progress in the Cyprus dispute. Mr. Ecevit yesterday expressed his hope that the matter would be sorted out by the conference committee of the U.S. Congress.

Strike causes petrol drought

SYDNEY—Motorists rushed to buy petrol today before a weekend ban on sales imposed because of a strike by oil refinery workers.

The strike, which began three days ago to back demands for better pay and working conditions, is separate from yesterday's 24-hour national stoppage by an estimated 1.5m workers over the arrest of 10 trade unionists.

Under rationing regulations introduced when the refinery strike started, motorists have been able to buy petrol on alternate weekdays only. Long queues formed outside the few service stations with fuel yesterday and police expected the petrol drought to cut weekend traffic dramatically.

The 400 refinery operators meet tomorrow to vote on a union recommendation that they return to work and accept new proposals by the New South Wales State Government. Even if the operators went back to work immediately, however, it would take about a week for supplies to return to normal because of safety precautions in restarting refineries.

Sydney and other industrial cities were counting the cost of yesterday's strike over the arrest of union officials for addressing strikers in Western Australia. Under state law, police permission is needed to address three or more people.

Union officials have promised more strikes if a review of the law by the State Government does not result in its repeal.

Reuter

President Somoza—main item on the agenda.

OAS cool on intervention plan in Nicaragua

By David Buchan in Washington

MINISTERS of the Organisation of American States (OAS) yesterday went into their second day of special debate on the unprecedented call by the U.S. for the resignation of President Anastasio Somoza and the dispatch of an OAS peace keeping force to Nicaragua.

The call by Mr. Cyrus Vance, the U.S. Secretary of State, for President Somoza's removal—a major policy shift for the U.S. to urge the replacement of a foreign head of state with whom it has diplomatic relations—won much support. But most Latin American countries reacted very cooly to the U.S. proposal for an OAS task force to back a new Nicaraguan provisional government.

U.S. officials said yesterday their main aim would be achieved if a majority of OAS member countries could be marshalled behind an expression that President Somoza should leave, and if the OAS makes it presence felt in the Nicaraguan situation. The western hemisphere organisation would become clearer after yesterday's debate and bilateral talks between Latin American Ministers and Mr. Vance, they said.

The U.S. Administration is now in a position to concentrate more closely on the Nicaraguan crisis, following passage of the controversial Panama Canal treaties legislation through the House of Representatives late on Thursday. It is expected to have a smoother ride through the U.S. Senate.

Welcoming the House vote, President Carter said the legislation still contained features he did not like. One such amendment is believed to be the rider tacked on by the House that would stop U.S. payments from canal revenues to Panama, if it was clear Panama was interfering in the internal affairs of other countries. Panamanian aid to the Sandinista guerrillas in Nicaragua was used by right wingers in the House in their opposition to the canal legislation.

Hugh O'Shaughnessy adds from Washington: The U.S. Government's plan to persuade the OAS to send a "peace-keeping force" to Nicaragua needs the support of 18 of the 27 members of the organisation. "There is absolutely no question. The U.S. plan will be voted down," commented one leading Latin American ambassador here.

The plan was also rejected by the Sandinista guerrilla movement in a broadcast from "somewhere in Costa Rica."

Latin American opposition to the idea rests on two considerations; first, a generalised dislike of any foreign military intervention, especially one proposed by the U.S. This dislike is particularly marked in the case of Mexico, which is perennially wary of its big northern neighbour.

Second, a favourable attitude on the part of many states to the Sandinista movement and to the provisional anti-Somoza government. Panama, for instance, has already recognised the five-man Provisional Government.

Nkrumah's heirs set for election victory in Ghana

BY MARK WEBSTER IN ACCRA

THE PEOPLES NATIONAL Party (PNP), which is the successor to Dr. Kwame Nkrumah's Convention Peoples Party, will have a commanding majority in the new Ghanaian Parliament, according to the latest results available yesterday.

With only three seats left to declare, the PNP looked set to take an absolute majority of the 140 parliamentary seats with the strong possibility of getting additional backing from some of the minority parties.

The PNP's nearest rival, the Popular Front Party (PFP), which inherited the mantle of former Prime Minister Dr. Kofi Busia, stands to get only 41 of the parliamentary seats.

And the PNP has also taken a convincing lead in the voting for the presidency with nearly 514,000 of the total votes cast as compared with PFP's 432,000. Under Ghana's new Constitution, there is to be an executive President on American lines.

With the split in the voting between the two leading presidential candidates, there will have to be a run-off within the next 21 days. The Constitution says that to win on the first round a candidate has to take at least 50 per cent of the total votes cast.

Likely winner on the second round is the PNP's Dr. Hilla Limann. Apart from the fact that most people will be expected to back the winning party in the parliamentary elections in the hope of getting benefits in the future, Dr. Limann has apparently been offered the support of some of the minor parties.

The United National Convention Party (UNC) of Mr. William Offori Atta, which did much worse than expected, gaining only 13 parliamentary seats, is expected to back Dr. Limann. Although the UNC was originally a break-away party from the FPF, there are personality clashes between the leaders of the two parties.

It is also likely the PNP will get the support of the trades union-sponsored Social Democratic Front (SDF) because of its greater sympathy with the Left-wing. The Action Congress Party (ACP) of Colonel Frank Bernasko could also come out in favour of the PNP.

The disappointing showing of to many people. At the outset the PFP has come as a surprise many were predicting an outright win for the party especially as its leader, Mr. Victor Owusu was very well known.

Dr. Limann, on the other hand, was virtually unknown until he was chosen to lead the party only three months ago. This was considered a major disadavntage in a country which tends to vote for personalities.

On reflection, some Ghanaians believe Mr. Limann's comparative obscurity as a career diplomat may have been a help while the present anti-corruption measures are being pursued by the new military government.

The coup which overthrew the previous military government only two weeks before the election may well have benefited the PNP which has a more progressive leadership than the PFP, according to observers here.

But the coup is also thought to be the main reason for the relatively poor turnout. Less than 2m of the registered 5m electorate turned out for the ballot.

None of the parties have what could serious be called a manifesto but have preferred to trade on the history of the parties. In the case of the PNP and the PFP they added some catchy slogans.

The general direction of the PNP is left-wing, with a determined call for a more extensive welfare state to cover free education, better health care and social services.

But the PFP, which has fought the image of being the rich man's party, prefers a healthy mixed economy with incentives for private investment. At the same time it believes investment should be led by state interevntion.

With pressing economic problems, neither of the parties can spare much time for ideological rhetoric. Both of them are essentially Western looking for the simple reason that most of the aid and trade is with the West.

However, no matter who wins, they will have to wait to see what the military Government does before they can start serious planning for the future. For the moment they are victors in a vacuum.

S. Africa curbs news about oil

BY QUENTIN PEEL IN JOHANNESBURG

SWEEPING MEASURES to restrict the publication of information about South Africa's oil supplies and reserves came into force yesterday.

The ban, effective both for South Africa and overseas, covers the source, manufacture, transport, destination, storage, quantity or stock level of any petroleum products in South Africa. The maximum penalties, for publication except with ministerial authority, are a fine of R7,000 ($8,260) and a jail term of seven years.

Cm-rurfiNCY

The law puts information about oil into the same category as defence secrets, information about uranium and atomic energy. Its purpose is, clearly, to prevent information about oil supplies being used for possible oil sanctions against South Africa.

Meanwhile, the latest oil crisis has started to take its toll, with the first lay-offs being ordered in the motor industry. Ford has made nearly 300 men —5 per cent of its workforce—redundant, and General Motors has dismissed 80. Both companies are working a four-day week. Other manufacturers such as Volkswagen, are less seriously affected, because owners are switching to smaller cars.

In addition to cutting the speed limit to 70 kph (43.5 mph) in major metropolitan areas, further restricting petrol sales hours and raising fuel prices by 40 per cent, the Government is ordering drastic reductions in fuel supplies to bulk users. The transport sector is to cut back consumption by an immediate 10 per cent and an additional 2½ per cent a month to a total 20 per cent. Similar savings are expected from agriculture.

Road hauliers have said that many may be forced out of business by the restrictions, and by the cancellation of 90 per cent of temporary permits which allow them to carry general goods which the railways cannot accommodate. But a protest convoy from Johannesburg to Cape Town, has been called off after the promise of talks with Ministers next week.

Fuel sales have dropped dramatically and garages estimate the decrease at between 15 and 40 per cent.

Uganda war cost reflected in tough Tanzania budget

BY OUR DAR ES SALAAM CORRESPONDENT

TANZANIA HAS published a tough cost-cutting budget for the next financial year to pay for its Uganda war.

Mr. Edward Sokine, the Prime Minister, described the fiscal package as a war budget and Mr. Edward Mtei, the Finance Minister, told the national assembly on Thursday that the Government would raise taxes and slash imports in a bid to put the economy back on its feet.

Tanzania's 5½ months of fighting to oust Ugandan dictator Idi Amin is officially reported to have cost the state £250m. But economic troubles last year were added to by serious flooding in the coastal region which destroyed crops worth more than £800,000, washed away roads and bridges and destroyed homes.

Mr. Mtei said taxes would be raised on beer (as essential to the African way of life as tea is to the British), sugar, cloth, wheat flour, air travel, car licences and those few imports which will still be permitted.

Despite the tough measures, Tanzanians, who are already suffering shortages of rice, flour, cooking oil and imported goods, breathed a sigh of relief that the Budget was not even more austere. The (by Tanzanian standards) well off urban wage-earners will feel the pinch most. According to Western economists here they are even already suffering inflation of between 25 and 30 per cent.

The Minister told MPs that Tanzania had a balance of payments deficit last year of £110m compared with A 1977 surplus of £75m. Its import bill had risen by 45 per cent and exports had fallen by 25 per cent over 1977.

Donars of Tanzania's estimated £225m in annual aid were asked to switch from help tied to specific projects to cash for essential imports and government subsidies would be cut to the so-called parastatial (semi-nationalised) industries—except those producing goods for export.

Reuter reports from Kampala: Uganda's ruling Political Front has taken action to end the uncertainty that has left two presidents in contention for leadership of the country.

After a day of riots and shooting in Kampala, the Uganda National Liberation Front (UNLF) has sought to explain why Professor Yusufu Lule was replaced as President two days ago.

In a statement broadcast over Uganda Radio, the UNLF said Professor Lule had tried to "swamp" its National Consultative Council by blocking an agreed increase in the number of council members and carrying out repeated Cabinet reshuffles.

Eurocrats in strike call on over-pay

By Giles Merritt in Brussels

THE European Commission faces a virtual shut-down on Monday. For the Eurocrats, that select and highly paid body of officials and employees at the Brussels Commission, have been called out in a dispute that stems intriguingly from their having been over-paid.

Thanks to the peculiarities of the Commission's internal organisation it is far from clear how many of its 6,000-plus employees will obey the strike call. The Commission has no conventional management - employee structure: some £40,000-a-year directors-general are members of the same "in - house" trade unions as their £10,000-a-year secretaries. Even members of the 13-man Commission are reputedly faced with the choice of staying away on Monday or of blacklegging.

The row that has precipitated the first labour stoppage to hit the Commission in seven years revolves around the complexities of a sliding-scale pay pact approved two years ago by the EEC Council of Ministers. That deal was Euro-bungle and led to the Eurocrats being paid about 3 per cent more than had been intended. Proposals to compensate for that over-payment by reducing future salary increases are at the heart of the present dispute. A secondary complaint is over the log jam blocking promotions within the Commission.

Two of the three Eurocrats' unions are going on strike. Their decision is, reportedly based on the vote of a "mass meeting" of some 300 militants. But even Commission officials who are playing down the strike and its potential for disrupting EEC business forecast that up to 35 per cent of the employees may fail to turn up. The effects could be larger. The militants are planning to picket the Commission's Berlaymont headquarters

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Egypt swaps a Russian MiG-23 for 80 Chinese fighters

BY ROGER MATTHEWS IN CAIRO

EGYPT HAS supplied China with a Soviet-built MIG-23 multi-role fighter aircraft in part payment for up to 80 jet fighters that Peking is providing to bolster President Anwar Sadat's ageing air force.

Military sources in Egypt believe that China has been anxious for some time to acquire a MIG-23, known as the "flogger," in order to develop its own aircraft manufacturing capabilities. The MIG-23, which came into service in the Soviet Union in the early 1970s, has only been given to a limited number of countries and in relatively small numbers.

Egypt had 23 of the aircraft, but all are grounded and the squadrons dishanded because of the lack of spare parts, cut off by the Soviet Union after the worsening of relations with Cairo.

The Egyptian MIG-23 is understood to have been crated and sent out of the country on the same Chinese freighters that began deliveries of aircraft to Egypt in late January.

Some 40 of the Chinese Shenyang F-6 fighters are believed to be in Egypt already, of which four are flying and another 20 have been assembled. The F-6 has been developed from the Soviet MIG-19 and is considered to be a rugged ground support plane which, while heavily outpaced by more modern generations of fighter aircraft, still could have considerable effectiveness in more limited conflicts.

The Chinese have also developed a faster, better-armed version of the F-6, known as the F-9, and some military sources believe that this aircraft is also being supplied to Egypt and may be among those being assembled at an airfield near Alexandria.

At least 15 Chinese pilots and technicians have been in Egypt for some weeks assisting with the assembly of the aircraft and in the training of Egyptian airmen.

The arms deal with China was only announced by President Sadat earlier this month and he gave no indication of what was involved. Apart from the Egyptian gift of the MiG-23 the first 40 Chinese planes are understood to have been given to President Sadat in what is the first known Chinese arms deal in the Middle East. The two sides are now negotiating for the delivery of a second batch of 40 F-6s or F-9s that the Chinese will provide on highly favourable credit terms.

Egypt is expected to base the Chinese-built planes at an airfield south of Cairo in order to free more of its main fleet of MiG-21s to deploy closer to the Libyan border. In the past few months Egypt has moved two army divisions to the area of El Alamein in order to deter what is privately described as "the threat of Libyan subversion."

The deal with China also helps to offset the military supply blows suffered by Egypt as a result of Arab action following the signing of the peace treaty with Israel. Egypt no longer expects to receive the 50 F-5E fighters that Saudi Arabia was to buy from the United States and has further discovered that the $1.5bn agreement with the U.S. buys rather less than was first anticipated.

In addition, the threatened collapse of the Arab Organisation for Industrialisation may deprive Egypt of both helicopters and the means to renovate its MiG-21 fleet which is progressively due for a major overhaul.

Only about 140 of its original 200 MiG-21s are now thought to be operational and this number may decline sharply unless the funds and technology can be found soon for overhauling both engines and airframes. The deal with China therefore provides Mr. Sadat with the chance to demonstrate to his own high-ranking officers that the military machine will not be allowed to run down, while also giving the Chinese a chance for their first real toehold in the Middle East that can be guaranteed to annoy the Soviet Union.

James Buxton adds: China badly needs a high performance interceptor such as the MiG23 to match whatever aircraft the Soviet Union may deploy against it in the Far East. It no doubt wants the MiG23 Egypt has supplied to see whether it would be possible to manufacture it itself, as it did with MiG19.

However, even if manufacture were to be feasible, it is likely to take at least eight years, defence specialists believe.

● Reuter reports from Tokyo: China is ready to allow foreign firms to set up wholly-owned Chinese subsidiaries. It has indicated that, under certain conditions, foreign interests will be allowed to set up and operate subsidiaries in China.

The Japanese Kyodo News Agency reported from Xian (Sian), in Central China that Mr. Yoshimi Furui, the Japanese Justice Minister, now visiting China, said that Chinese Vice Premier, Deng Xiaoping, stated this when they met in Peking last Tuesday.

Kyodo said legislation allowing establishment of joint ventures owned up to 49 per cent by foreign firms in China, is before the National People's Congress, now in session.

هكذا من الأصل

JK NEWS

Tory move to cut autumn pay claims

ELINOR GOODMAN, LOBBY STAFF

TERS BEGAN a con- campaign yesterday to de union leaders not to ıeir autumn wage claims at they insist will be a jump in the prices index by the rise in VAT.

worry is that reversing onomy is going to take onger than expected and e job could be made even ifficult if the expected in- in the Retail Prices Index tumn of 17½ per cent or is used as the starting or wage claims.

attempt, however, was nade to pretend that the way ahead was an easy one. The Budget, it was being emphasised, was just the beginning of the long, hard road to recovery.

Mr. William Whitelaw, the Home Secretary, set the tone of what is likely to be a long, drawn-out education campaign when he maintained that to base "phoney wage claims on a blinkered view of tax changes" that took into account that alone, and not the benefits stemming from the reduction in direct taxation, would be to "unleash real and not phoney inflation and do incalculable damage to the interests of the working people of this country."

Much was being made of what he described as "a supposed boost" in the rate of inflation as a result of the VAT increase. Of course it had increased prices. But it had a "once only" effect, he insisted. In this context to talk about "inflation" was, he said, "misleading in the extreme."

Mr. Whitelaw acknowledged that there was considerable political speculation on how great would be the union challenge to the Budget. But he insisted that any such challenge would be purely politically motivated.

"A challenge based not on the interests of people at large but on the interests of a faction who are determined to destroy a democratically elected Government."

Sir Geoffrey Howe, the Chancellor said that it was a "dangerous delusion" to believe that there was some comfortable alternative to the Budget strategy. A Labour Budget would almost certainly have raised prices by at least as much as his package—and without the same offsetting gains, he claimed.

Nevertheless he acknowledged that the alternative way which his Budget had opened up was not an easy one. For those engaged in pay bargaining, it was a Budget which made their responsibility "crystal clear."

Echoing the Prime Minister's warning earlier this week about the effect of excessive wage demands on employment, he said that the Government would stick to the firm financial policies to which it was pledged. Irresponsibility would inevitably have the effect of placing companies and jobs at risk, he said.

NGA accused over jobs

BY ALAN PIKE, LABOUR CORRESPONDENT

THE NATIONAL Graphical Association was accused yesterday of being prepared to sacrifice the jobs of 600 members at Times Newspapers whom it has told to find new work.

Times Newspapers, commenting on the union's decision to seek alternative employment for its members, said that it very much regretted that the NGA should "arbitrarily decide to take this precipitate step without further negotiations."

Many of the NGA members involved, the company said, had been offered more than £9,000 a year for a 34-hour week.

Since Times Newspapers suspended publication on November 30, the NGA members have been supported by £80 a week union benefits. Mr. Joe Wade, general secretary, says they are being found new jobs because the union sees no prospect that the publication will reappear.

The management statement rejected that view. "We and everyone else know perfectly well that a solution can be reached through negotiation, particularly if the flexibility we have shown is matched from the union's side."

NGA leaders accept that it will initially be difficult to find acceptable new jobs for more than about 100 of their 600 Times members. The move might therefore provoke a new initiative to resolve the dispute before many of the Times men start other work.

Pressure for a new peace move was being applied at Westminster yesterday by Times Newspapers' journalists who want a special committee of Privy Councillors and peers to report on the dispute. That would be virtually an unofficial Parliamentary inquiry, and the name of Mr. Edward Heath has been mentioned as a possibly acceptable leader.

abour must scrap atronage—Benn

OUR LOBBY STAFF

NTHONY WEDGWOOD N, the former Energy ry, yesterday launched ond bid in a week to the power of the Labour hip.

onage, he told the annual nce of ASLEF, the foten's union, was the curse emocratic politics in , and the labour moveıust resolve to abolish it s procedures.

, he implied, meant an the system by which rs were appointed by me Minister.

er this week, Mr. Benn, ted by Mr. Eric Heffer, r Left-wing former r, published a scheme to ll principal front-bench men elected by open

rday Mr. Benn concentrated on patronage. The labour movement, he said, had always opposed unaccountable power "whether in the House of Lords or by multinational companies, world bankers or the secrecy surrounding the operation of the government machine."

Why, then, he demanded did the movement accept a system under which Ministers, peers, chairman of nationalised industries and a host of other important jobs were still held within the gift of individuals?

Thousands of people in Britain gained their power over other people's lives by the *working of patronage*. Thousands more might hope to get a job or an honour and might be tempted to follow the policies laid down by those who had the gift of appointment in their hands.

x certificate rate to be 13½%

ANCIAL TIMES REPORTER

ATE of interest payable ificates of tax deposit will per cent from Monday.

certificates may be used ment of taxation, but a rate of 10¼ per cent when they are cashed

of the features of the erms is that the interest nus applicable to certificates held for more than six months is being dropped on the grounds that the basic rate is sufficiently attractive in its own right.

The new rates also apply on *or after June 25 to deposits* made under old certificates which reach the second or fourth anniversary of the deposit date. Interest rates remain unchanged on deposits for two years.

Shell plans to close oil depots

By Sue Cameron

SHELL UK is planning to close five oil storage terminals during the next 18 months.

The plan is part of a rationalisation scheme and it will mean a cut of only about 4 per cent in Shell's total oil storage capacity in the UK. The five depots to be closed are at Granton near Edinburgh, Doe Hill near Nottingham, Newport in Monmouthshire, Workington in Cumbria and Thame in Oxfordshire. Between them they have a capacity of less than 400,000 tonnes. There will be a loss of just under 100 jobs.

Terminals

Shell said yesterday it had acquired the five terminals when the Shell Mex and BP company was divided up between Shell and BP in 1974. The terminals were all small, they did not fit well into Shell's business and they were not economically efficient.

The company said oil that would have gone to the five terminals would be stored elsewhere after the closures.

Shell said efforts would be made to cut job numbers through natural wastage and early retirement schemes rather than redundancies. *Terminal staff would be hit* by the job cuts but the rationalisation plan would actually mean increasing by 10 the number of tanker drivers' jobs.

Hercules re-design may create jobs

BY LYNTON McLAIN

LOCKHEED, THE U.S. *aircraft* company, is designing a new civilian cersion of the Hercules transport that might lead to extra work for Britain's aerospace industry.

The company's Georgia division, which has made more than 1,500 Hercules over the past 25 years, said in London yesterday that the aircraft might be launched by December.

British companies have benefited considerably from the success of the original C-130 Hercules.

Scottish Aviation, now the Scottish division of British Aerospace's aircraft group, has won more than £25m of business from Lockheed. The work involved producing 650 centre fuselage sections and 500 fuel tank pylons.

Current orders will last until 1982, when the company expects to have added another 500 employees to its 1,500 worforce to meet a rapidly rising aerospace workload.

Rolls-Royce has also benefited from the Hercules programme, with an RAF contract to overhaul the U.S. Allison engines. Marchall of Cambridge continues to provide engineering support for Hercules operating east of the Atlantic.

Lockheed said that it would be ready to launch the new, stretched aircraft, the Hercules L100-60, when it had orders for 50 to 70 aircraft. Talks are being held with cargo airlines, including the U.S. Flying Tiger line, about the proposed freighter, which would carry international-size aviation pallets.

The aircraft would operate as a feeder over ranges from 800 to 1,000 miles, providing compatible cargoes for Boeing 747s on international routes.

● Twenty-five Hercules from air forces and countries around the world will be on display this weekend at RAF Greenham Common Berkshire, as part of the International Air Tattoo in aid of the RAC Benevolent Fund. Two years ago the show raised more than £80,000.

Years of struggle ahead—Joseph

A WARNING that Britain's road to recovery would be a long, uphill struggle which might take years was issued yesterday in Liverpool by Sir Keith Joseph, Industry Secretary. But he *promised that, in the long-term*, Tory policy would work out better than short-term policies aimed at creating jobs.

Sir Keith who was on a fact-finding tour of the Merseyside area, said that the Government could not wave a magic wand and create new wealth in the region.

"The purpose of regional policy has been to improve the *quality of economic per*formance in the areas with most unemployment," he said. "It is an indirect attack on unemployment rather than a direct attack."

● NEWS ANALYSIS—THE TIMES

Not all that dead, but . . .

REPORTS that The Times is dead may be premature, or as Mark Twain said on reading his own obituary, "exaggerated."

Indeed, it is doubtful whether even Mr. Joe Wade, general secretary of the National Graphical Assoication, entirely believes his own statement reported yesterday. "We have had to come reluctantly to the conclusion that The Times and the Sunday Times are dead."

He said this after his union executive decided that the 600 members at The Times, the elite of the printworkers, should be allowed to look for other jobs.

The NGA members, who include typesetters and machine-operators, have been receiving only £80 a week, compared with weekly earnings of up to £270 for the better-paid when the papers were being published.

The decision to allow this section of the work force to disband is clearly bad news for the management. It shut the papers on November 30 in its attempts at new working practices, introduction of computer technology and reform of industrial discipline.

Now, nearly seven months and £20m later, the management is apparently no nearer to its objectives. Many clerks and typists have found new jobs in Fleet Street. The journalists, who are still on the payroll, are beginning to show signs of drifting away, though most are still "loyal."

Management, which has seen its false hopes of a settlement repeatedly dashed, is in danger of becoming seriously demoralised.

In spite of these depressing facts, the Times management's determination not to give way entirely to the unions seems as strong as ever. The management has made clear that it will compromise from its original proposals on the manning of computer typesetting equipment.

It would like computer-typesetting terminals to be operated by journalists, whereas the NGA insists that only its members should be allowed to touch the keyboards.

The management would probably agree to most of the typesetting being done by the NGA for a fixed period provided that journalists were allowed to use editing terminals.

The two sides have failed to agree on this point, or on a compromise as to whether advertising clerks can use the computer terminals.

It was Lord Thomson's view that the problem was one for local management. But ultimately Lord Thomson himself will have to decide how long the organisation which his family controls can afford £1.7m a month to keep the papers half-alive.

If he wishes, Lord Thomson can continue to pay out indefinitely whatever his *accountants advise him, and the* indications are that he would still be extremely reductant to 'quit' by selling Times Newspapers or by killing it completely.

For the rest of the summer it looks very unlikely that agreement can be reached, if only because many of the union leaders will be on holiday.

October is the next focus of the optimists, but it is hard even to speculate on how either side could then sacrifice enough of its pride to leave the present entrenchments.

Then, in the absence of agrement, Lord Thomson would probably have to quit, or to surrender on abject terms.

There remains a last remote possibility that the management might try again the expedient of breaking the union by printing elsewhere.

It failed in May to start a regular weekly overseas edition printed in Frankfurt, but another overseas operation might be atempted.

Apart from union opposition, the logistics would be very difficult indeed, except for a limited operation.

Most difficult of all would be a plan to print outside London, using mainly journalists, clerks and members of the National Society of Operative Printers and Media Personnel, NATSOPA, without the help of the NGA.

At present, it is only a game plan considered by management in a speculative way. To implement it would require a strong stomach for a long and bitter fight.

It would take Lord Thomson into an entirely new political arena, and it is not at all clear whether he would allow his management to pull him into it.

Ex-minister to head platform group

BY RAY PERMAN, SCOTTISH CORRESPONDENT

DR. DICKSON MABON, Minister of State for Energy in the last Government, has accepted the chairmanship of the Anglo-Dutch platform construction company, Redpath De Groot Caledonian after being refused a shadow Cabinet position.

Dr. Mabon said yesterday that he had taken the £5,000-a-year part-time non-executive post after being told by Mr. James Callaghan, the Opposition leader, that he would be offered a job as No. 2 spokesman on energy or another subject.

"I declined, with the explanation that I would prefer to have a No. 1 place. I am disappointed that I did not get elected to the shadow Cabinet but I propose to stand again next time and to get a portfolio of my own."

He added that he intended to remain as Labour MP for Greenock and had been advised that the chairmanship of RGC did not count as a post of profit under the Crown, which would disqualify him from staying in the Commons.

Redpath De Groot Caledonian is 48 per cent owned by the British Steel Corporation and the Scottish Development Agency has a further four per cent. "No minister needs to be consulted and none has been consulted," he said.

Dr. J. Dickson Mabon

During his period of office at the Department of Energy, Dr. Mabon earned a reputation for the aggressive role he played in steering oil industry orders towards British yards.

He was instrumental in persuading Texaco to let a share of the work on the Tartan Field platform go to RGC's Methil yard in Fife, instead of being built entirely in France.

Texaco recently claimed this had added £2m to the cost of the project.

Mr. David Waterstone, who steps down as chairman to become executive deputy chairman of Redpath De Groot Caledonian, said Dr. Mabon had immense experience of the energy industry and the company would profit greatly from his help.

When RGC was formed last April, the steel corporation wrote off the Methil yard's £12m losses, but the merger with the Dutch De Groot group paid off in winning orders. After completing its share of the Tartan contract on time, the yard now has £13m in orders.

But Mr. Waterstone said the company would show a loss on its first year.

"The extended winter weather cost us a great deal of money and we are certainly going to have to tighten our belts and increase efficiency. We have plans to extend our offshore interests into hook-up, electrical and pipework engineering."

Gold Fields suspends Tennessee coal plans

By Paul Cheeseright

CONSOLIDATED Gold Fields' plans to expand its operations in North America have been checked by a decision, announced yesterday, to suspend operations at a coal property near Dunlap, in Tennessee.

The London-based group had planned to spend more than £19m by 1980 on developing two underground mines to produce 1m tonnes a year of metallurgical blending and low sulphur steam coal.

In fact, only a small portion of this sum has been spent on what has become an unsuccessful exploration venture.

No profits could be anticipated for the foreseeable future, Gold Fields said, reflecting the declining tendency in U.S. coal prices. It is also believed that the extent of the reserves proved to be less than the group had once expected.

Gold Fields is not alone in cutting back its coal operations. Other companies in the same area have also been shutting down.

Activity at Dunlap has been in low key. Gold Fields has had about 30 men working on the 34,000 acres of property and they have been producing some 2,000 tonnes of coal a month during the exploration programme.

Only one section of one mine had been opened up and no major development has taken place.

Tube arbitration award held up

BY PHILIP BASSETT, LABOUR STAFF

LONDON TRANSPORT postponed agreeing an arbitration award of increases worth about 14 per cent for 23,000 Tube workers yesterday, saying that full implementation would place it in "acute financial difficulty."

The National Union of Railwaymen, which suspended a threat of an indefinite strike by its 15,000 Tube members to allow the pay dispute to go to arbitration, accepted the terms of the award.

Union officials made clear, though that the strike call would not be lifted until London Transport also accepted thet terms.

London Transport said that its executive needed time to consider the award's "serious implications" for passengers and staff and for its own future.

The executive said before the arbitration that an award higher than its 10.3 per cent offer could not be met other than by a further fares increase or increased productivity.

Tube fares rose by an average of 7½ per cent last Sunday and a special 12½ per cent rise is proposed for September to cover the cost of the 10.3 per cent offer alone.

LT officials recognise, though, that improvements in productivity might stave off some fare rises, and the arbitration tribunal expresed the hope in its report that both sides' declared willingness to consider productivity improvements would lead to changes in operations, in particular the development of one-man operations on certain Tube lines.

The award, which is not binding on any of the parties gives an 11 per cent increase in basic rates, consolidates an existing £2 supplement and proposes payments for adjusting relativities.

A railman's rate will go from £45.25 to £52.23 (LT offer, £51.25); a grade 14 signalman's from £61.58 to £72.76 (LT offer, £69.41); a guard/motorman's from £53.49 to £62.73 (LT offer, £60.29); a motorman's from £66.04 to £77.71 (LT offer, £77.05); and an automatic train operator's from £75.78 to £89.42 (LT offer, £88.06).

The award also proposes talks for a new wages structure based on 1975 relativities for next year's settlement.

Mr. Sid Weighell, NUR general secretary, said the union was satisfied with the award, which conformed with the level of settlement the NUR was seeking. The three rail unions were claiming increases of 17-20 per cent.

The other two rail unions, the train drivers' union ASLEF and the white-collar Transport Salaried Staffs' Association, which have far fewer Tube members than the NUR, both accept the award as the basis for final negotiations with London Transport on implementation.

Corby steel men march to London

NEARLY 30 steelworkers, some of them middle-aged, set out on a five-day Jarrow-style march from Northamptonshire to London today.

They are employed by the British Steel Corporation in Corby, Northants, and are protesting over plans to phase out steelmaking at their plant at a cost of nearly 6,000 jobs. They hope that 16 coachloads of workmates will travel down to join them on the final day.

The steelworkers will then march on Parliament to hand a petition signed by 10,000 to Sir Keith Joseph, the Industry Secretary. British Steel Corporation say they can save £40m a year by bringing in steel from outside sources to continue tube making at Corby.

'Go back' call to Liverpool dockers

THE PORT OF Liverpool was at a standstill yesterday apart from work by a few men employed by two private stevedoring companies in coastwise shipping areas. Meanwhile 440 dockers employed by T. and J. Harrison, who had remained at work, walked out at the start of the shift, bringing the total number on strike to 3,991.

Twenty-seven ships lay idle in the port. Fourteen have been diverted elsewhere.

Liverpool Port Employers' Association published a 400-word advertisement in the Liverpool Echo addressed to all port workers. It called on the dockers to go back at once. It spoke of disruptive action and the crippling effects of the week-long strike.

It added: "For every day these strikes continue, jobs will be lost in the port and on Merseyside in general. The strike is seriously jeopardising Liverpool's hard-won reputation."

In spite of the appeal, there is no likelihood of a return before the mass meeting called officially by the Transport and General Workers' Union, tomorrow morning in Liverpool Stadium. The officials will explain that no more money is available beyond the 14 per cent pay package deal to iron out differentials which the men claim are being eroded.

Power men warn the Government

By Our Labour Staff

UNION representatives of 40,000 white-collar power workers warned the Government yesterday that they would maintain "total opposition" to any plans to sell off parts of the state-owned electricity supply industry.

The National and Local Government Officers' Association said it was alarmed at Government proposals to dispose of public assets to private sector buyers. Mr. Geoffrey Drain, general secretary, said: "The irresponsible sale of public assets will not help the economic status of the country. The whole tenor of the Budget will lead to a bonanza of private greed and public stagnation."

The union, which represents the majority of white collar workers in the electricity supply industry, said it would seek support from other unions. It was totally opposed to the disposal of any part of the industry to private enterprise and to the merging of showrooms or any other functions with other nationalised industries.

Dunlop unions suggest new products

DUNLOP'S TRADE unions submitted proposals for introducing new products at the company's Merseyside plants at yesterday's first meeting of a joint working party set up in the wake of the Speke tyre plant closure.

The company agreed to set up the working party in return for the unions' calling off picketing and other industrial action in protest at the shutdown.

Rubber motorway barriers and covers for football pitches are two products that the unions, led by the Transport and General Workers, would like to see the company develop.

The unions hope that new products will provide extra employment in existing plants for some of the 2,300 workers who lost their jobs at Speke. They also believe that equipment in the former tyre-making plant can be adapted to make other products.

Too much consumer protection, says CBI

By Our Consumer Affairs Correspondent

EXCESSIVE INTERVENTION in industry and commerce on behalf of the consumer is criticised by the CBI in a policy paper on consumerism.

The paper, approved by the CBI Council, suggests that there is a strong feeling among businessmen "that the present tendency is to intervene too much in the supposed interests of the consumer."

The CBI points out that the consumer has "the ultimate power of refusing to buy the goods on offer, and he is not reluctant to use this power against the largest and most apparently powerful companies in the land."

The CBI also argues that, in certain areas, "attempts at consumer protection have already reached the stage at which the costs outweigh the benefits, and that the resulting waste of resources is damaging to the national economy."

The CBI admits that "it may from time to time be necessary for the State to intervene in the relations between businesses and consumers as part of its function of establishing and maintaining the conditions for the operation of an efficient and competitive market economy."

The paper is based on the five basic rights of consumers which have been identified by the EEC. These are: protection of health and safety; protection of economic interests; right of redress; right to information and education; and the right to representation.

The CBI welcomes the adoption of the EEC of the concept of the consumer's role in the production and distribution process.

Coal expansion 'vital for long-term energy'

BY JOHN LLOYD

MR. DAVID HOWELL, Energy Secretary, has assured the coal industry of the Government's belief in its "vital importance," but has drawn attention to the "difficulties" it is now experiencing.

He has said that he intends to continue the system of tripartite consultations — taking in the Government, the industry's management and the unions — which were brought in by the previous Government.

Appearing with Sir Derek Ezra, chairman of the National Coal Board and Mr. Joe Gormley, president of the National Union of Mineworkers, at a seminar on coal organised by the Coal Industry Society, yesterday, Mr. Howell said that "the long-term energy outlook offers coal an important opportunity — unusual for industries of such long tradition and history — of reasserting its place in the energy supply of this country.

"There must continue to be substantial investment in the coal industry so that the industry can re-equip itself with modern capacity to provide a secure, efficient base for future expansion."

Weak markets

Mr. Howell was careful to show that he was aware of the industry's shortcomings, calling attention to delays in the introduction of new capacity and that certain markets, especially coking coal, had been weak. "It has to be recognised that the performance looked for in Plan for Coal has not yet been forthcoming."

Sir Derek admitted that the severe winter, coupled with a series of industrial actions, would have a "disastrous" effect on NCB results for last financial year. In the present year, however, the board would make coal sales of 125m tonnes, 10m tonnes up on last year.

Investment in the industry over the next 10 years would outstrip the resources generated by the NCB itself. "We are investing much more than a short-term view would indicate, but we must if we are to safeguard our future."

Mr. Gormley said that the miners were aware of the responsibility which Plan for Coal placed upon them. He would tell his members of the need for greater productivity at the NUM conference next month. "But we have got to give confidence back to the lads. We have got to tell the lads in the pits that their future is not going to be attacked. I take full responsibility for getting this message across."

Action on council land 'hoarding'

By Andrew Taylor

THE GOVERNMENT is considering creating a register allowing the public to challenge unnecessary land hoarding by local authorities.

Mr. Michael Heseltine, Environment Secretary, told the Institute of Housing Conference in Brighton yesterday that a register would assist identification of land available for development.

It was vital that land should not be left lying around vacant and idle, particularly in towns, while builders were short of development sites.

"I am therefore looking at a number of positive measures which might be taken to encourage the release of surplus land," Mr. Heseltine said.

As a first step, the Government has abolished the requirement that Crown land be offered first to local authorities and the Housing Corporation. Local authorities would also be expected to offer surplus land on the open market.

Mr. Heseltine said that it was important to remove the Government restrictions that had in recent years stifled initiative, clogged the system and added to costs. He emphasised the need to increase people's freedom of choice in the public and private sectors.

Mr. Heseltine saw a need to increase the level of rehabilitation work. He suggested an overhaul of the improvement grant system to provide greater flexibility and remove some of the Government - imposed requirements that had discouraged people from applying for aid.

The Government intended to concentrate its resources where housing needs were most acute. Public-sector house building programmes would not stop because of planned council house sales.

Peak sales of British wine likely

By Colleen Toomey

RECORD SALES for British wine of 100m gallons this year were forecast by the Wine and Spirit Association yesterday. In spite of a 3.4 per cent decline in the first two months this year due to bad weather and the lorry drivers' strike.

Mr. Vincent Larvan, chairman of the association said in London that wine sales through 1979 would be erratic. "But looking forward to the year-end, overall volume growth of 10 per cent on the year is not an unreasonable target," he said.

The increase to 100m gallons would depend on the continued stability of wine duty, in which there has been no increase since 1976.

But the wine trade still resents the obligation to pay duty on wine as it is imported even though it often takes up to three months to receive payment.

Despite repeated pleas to the Government—both under Labour and the Conservatives—wine importers have failed to get a duty deferment facility introduced. The association said yesterday that further representations to the Government would be made before the next Finance Bill.

The association's confidence in the growth of the trade was yesterday shared by Mr. Roy Laurence, drinks marketing manager for the Co-operative Wholesale Society, who claimed that wine consumption was moving "down-market."

Scheme for modernising London flats praised

BY COLLEEN TOOMEY

A GREATER LONDON Council housing scheme for modernising an inter-war flat in four days and cutting costs by £12,000, excluding structural changes, was praised by the Department of the Environment. The department recommends that other housing authorities in Britain follow the GLC's lead.

Mr. Geoffrey Finsberg, Parliamentary Under Secretary of State, Department of Environment, commended the GLC on the scheme. "It can and does provide central heating and a newly-equipped bathroom and kitchen for each flat within the space of four days. It does this . . . with the minimum of disturbance to their lives," he said.

Commenting on a department study published yesterday on the "four-day package," Mr. Finsberg said there were many housing authorities with a considerable stock of older dwellings which fell short of modern standards. Modernisation could often mean considerable disruption and inconvenience for tenants. In addition, housing authorities were faced with providing alternative accommodation for tenants.

Since the four-day package scheme began in 1974, the GLC has modernised 3,773 flats. It plans to nearly double the number of improvements for 1978-79 to 4,000 flats compared to the previous year and now proposes to extend the scheme to 1,000 cottages.

The Environment Department report concludes that the scheme, is successful because it is financially sound, it leaves tenants in their own homes thus avoiding disruption; it is economic in administrative terms; and is popular with tenants.

The Four Day Package. A study of the GLC's experience in the rapid modernisation of inter-war flats with tenants in residence. Department of Environment (by Shankland Cox Partnership), 2 Marsham Street, London SW1P 3EB. £1.20.

McLean to spearhead Hampshire land plan

BY ANDREW TAYLOR

McLEAN HOMES, part of Tarmac construction group's house building division, is to combine with a Hampshire landowner to develop a new 1,000 acre private residential estate.

McLean has joined forces with Chamberlayne Estates to form a new company—Chamberlayne McLean—which will manage the development.

The new company says it will "virtually act as its own local authority" and strictly vet all plans put forward by the various developers involved.

The first 65 acres have been sold to a number of construction companies, including McLeans and work on the first phase has been started.

Other companies involved in the first phase, which is expected to be completed in the next 18 months, include Taylor Woodrow, Wimpey and Unit Construction.

Supervisors halt payroll work

POST OFFICE supervisors who oversee the computerised payroll of telecommunications staff carried out their threat not to report to work yesterday—but the staff will still be paid basic wages by manual methods.

Industrial aid cuts 'will hinder exports'

SIR JOHN METHVEN, Director General of the Confederation of British Industry, gave a warning yesterday that the Government must move "cautiously but with determination" in reviewing industrial aid policies.

Drastic cuts would make it even more difficult for industry to compete abroad. Aid should be available to assist investment from overseas.

However, Sir John, speaking at the North-West Industrial Development Association's annual meeting at Oldham, added that some schemes of assistance needed to be examined strictly.

Cuts in the industrial support budget would be least damaging if applied to labour retention subsidies, selected aid schemes and the short-time work schemes. There should be no further sector schemes giving aid on a selective basis.

Labour's union affiliates up

TRADE UNION membership of the Labour Party rose by 138,000, more than 2½ per cent, last year to reach a total affiliated figure of 6,051,199.

The Transport and General Workers' Union increased its affiliation by 88,000 to 1,162,000. The Amalgamated Union of Engineering Workers reduced its numbers by 1 per cent to 1,000,050.

Quarterly analysis of bank advances

to UK residents by banks in the UK at May 16, 1979; as Table 4 in the Bank of England Quarterly Bulletin.

£m		ADVANCES TO UK RESIDENTS Total	of which in sterling	of which in foreign currencies	FINANCIAL Total financial	of which in sterling	Hire-purchase finance houses	Property companies	Other financial
London clearing banks	1979 Feb. 21	19,807	18,236	1,571	2,026	1,601	157	792	1,077
	May 16	20,694	19,086	1,608	2,101	1,633	164	770	1,167
Scottish clearing banks	1979 Feb. 21	2,589	2,287	302	267	160	37	75	156
	May 16	2,728	2,428	301	282	168	40	81	161
Northern Ireland banks	1979 Feb. 21	661	659	2	30	28	3	21	6
	May 16	689	687	2	33	32	3	23	7
All banks	1979 Feb. 21	47,508	36,225	11,283	8,337	5,368	1,266	2,234	4,836
	May 16	49,439	38,101	11,338	8,780	5,570	1,409	2,145	5,226
of which in sterling	1979 Feb. 21	36,225			5,368		1,243	1,855	2,270
	May 16	38,101			5,570		1,384	1,831	2,355
Changes: in sterling	Nov. '78/Feb. '79	+2,172			+146		+114	+21	+11
	1979 Feb./May	+1,876			+201		+141	−24	+85
in foreign currencies adjusted for exchange rate effects§	Nov. '78/Feb. '79	+137			+44		−1	+1	+44
	1979 Feb./May	+366			+327		+3	−55	+378

		Total manufacturing	of which in sterling	Food, drink and tobacco	Chemicals and allied industries	Metal manufacture	Electrical engineering	Other engineering and metal goods	Shipbuilding †	Vehicles	Textiles, leather and clothing	Other manufacturing
London clearing banks	1979 Feb. 21	5,404	5,094	726	554	323	444	1,242	404	259	519	934
	May 16	5,520	5,215	758	538	356	444	1,240	400	195	560	1,028
Scottish clearing banks	1979 Feb. 21	606	576	108	52	25	32	100	140	17	56	78
	May 16	644	616	125	41	29	30	112	146	14	61	86
Northern Ireland banks‡	1979 Feb. 21	114	113	24				39			23	28
	May 16	113	113	29				36			24	25
All banks	1979 Feb. 21	12,731	10,452	2,097	2,367	760	993	2,274	624	619	918	2,079
	May 16	13,254	10,926	2,131	2,449	788	1,058	2,294	612	650	1,024	2,247
of which in sterling	1979 Feb. 21	10,452		1,717	1,570	669	847	2,006	568	590	795	1,690
	May 16	10,926		1,763	1,641	689	885	2,045	569	617	893	1,824
Changes: in sterling	Nov. '78/Feb. '79	+856		+92	+70	+52	+94	+217	+3	+42	+77	+208
	1979 Feb./May	+474		+46	+70	+21	+38	+39	—	+28	+98	+134
in foreign currencies adjusted for exchange rate effects§	1978 Feb./May	+92		+38	+18	+4	+19	+26	+3	−1	−5	−12
	May/Aug.	+42		−41	+76	+11	+3	−2	+6	−12	−2	+2
	Aug./Nov.	+52		−33	—	+1	+9	+67	+19	−29	+11	+8
	Nov. '78/Feb. '79	+113		+27	+31	+15	+6	+1	−17	−2	−8	+59
	1979 Feb./May	+114		−1	+34	+10	+31	−10	−11	+4	+12	+45
Advances only Amounts outstanding All banks	1978 May 17	10,098	7,833	1,770	1,845	513	742	1,725	575	531	842	1,556
	Aug. 16	10,555	8,421	1,781	1,932	548	792	1,823	604	547	859	1,669
	Nov. 15	10,648	8,457	1,771	2,099	552	811	1,911	621	449	777	1,657
	1979 Feb. 21	11,446	9,184	1,839	2,168	591	888	2,113	620	471	853	1,903
	May 16	11,965	9,652	1,917	2,212	638	936	2,144	608	483	936	2,089

		OTHER PRODUCTION Total other production	of which in sterling	Agriculture, forestry and fishing	Mining and quarrying	Construction	PERSONS Total persons	of which in sterling	For house purchase	Other
London clearing banks	1979 Feb. 21	2,648	2,604	1,394	156	1,098	4,078	4,074	1,270	2,808
	May 16	2,859	2,799	1,538	189	1,132	4,320	4,315	1,318	3,002
Scottish clearing banks	1979 Feb. 21	540	481	378	63	100	415	415	114	301
	May 16	577	516	406	73	98	438	437	120	318
Northern Ireland banks	1979 Feb. 21	173	173	121	4	47	147	147	32	115
	May 16	185	185	133	4	48	153	153	37	116
All banks	1979 Feb. 21	5,204	4,310	1,991	1,429	1,783	6,028	6,017	1,762	4,266
	May 16	5,503	4,598	2,181	1,494	1,828	6,368	6,354	1,832	4,537
of which in sterling	1979 Feb. 21	4,310		1,982	651	1,678	6,017		1,761	4,256
	May 16	4,598		2,166	704	1,728	6,354		1,828	4,526
Changes: in sterling	Nov. '78/Feb. '79	+133		+37	+22	+74	+179		+47	+132
	1979 Feb./May	+287		+184	+54	+50	+336		+67	+289
in foreign currencies adjusted for exchange rate effects§	1978 Feb./May	+67		+2	+53	+11	+1		+1	—
	May/Aug.	+6		−4	+10	—	−7		—	−6
	Aug./Nov.	−16		—	−27	+11	−2		—	−3
	Nov. '78/Feb. '79	−31		+3	−31	−3	—		—	—
	1979 Feb./May	+37		+6	+34	−2	+4		+3	+2

		SERVICES Total services	of which in sterling	Transport and communications	Public utilities and national government	Local government	Retail distribution	Other distribution	Professional, scientific and miscellaneous
London clearing banks	1979 Feb. 21	5,653	4,862	466	637	77	1,143	1,051	2,273
	May 16	5,894	5,123	483	567	81	1,283	1,128	2,353
Scottish clearing banks	1979 Feb. 21	760	656	96	91	36	113	120	304
	May 16	788	687	109	83	42	127	113	315
Northern Ireland banks‡	1979 Feb. 21	197	197		19	8	76	28	66
	May 16	205	205		22	8	78	30	66
All banks	1979 Feb. 21	15,209	10,076	1,670	2,748	883	1,832	3,736	4,341
	May 16	15,534	10,654	1,771	2,440	997	2,013	3,772	4,540
of which in sterling	1979 Feb. 21	10,076		990	181	645	1,787	2,464	4,009
	May 16	10,654		1,063	149	787	1,974	2,494	4,187
Changes: in sterling	Nov. '78/Feb. '79	+858		+118	−31	+100	+32	+121	+519
	1979 Feb./May	+577		+73	−32	+141	+187	+30	+179
in foreign currencies adjusted for exchange rate effects§	Nov. '78/Feb. '79	+10		−54	−51	+3	−5	+69	+48
	1979 Feb./May	−117		+46	−209	−21	−4	+42	+30

† Including lending under special schemes for domestic shipbuilding. ‡ The analysis provided by Northern Ireland banks differs slightly from other banks. Chemicals and allied industries are included indistinguishably in "Other manufacturing"; Metal manufacture, Electrical engineering, Shipbuilding and Vehicles in "Other engineering and metal goods"; and Transport and communications in "Public utilities and national government." § The figures exclude as far as possible the effect of changes in exchange rates on the sterling value of advances in foreign currencies.

THE WEEK IN THE MARKETS

Profits under pressure

SHARE PRICES wilted in sunshine, energy stocks provided the only excitement on the Stock Exchange floor this week. While the Saudi Arabian minister breezily discussed a future in which the current oil situation could look like a mere passing event of trivial consequence, it seemed that any company with oil, energy, or natural resources in its name was worth a punt. North Sea stocks rose sharply, and obscure Australian speculatives fizzed away, too. Even the heavyweights, BP and Shell, have been lumbering higher in the last few days.

Elsewhere, another set of poor trade figures did nothing to check the continued strength of sterling, but overseas enthusiasm did not extend to the gilt-edged market. So the new tap stocks failed to catch fire, and the long-dated one opened at a small discount yesterday morning.

Smokestack

For months now, the stock market has been treating smokestack Britain with suspicion. The prices of companies tied to manufacturing industry have been lagging well behind those in the frothier service and financial sectors, and statistics published this week helped to explain why.

Affected by strikes and rising costs, company profits excluding stock appreciation fell by 6 per cent in the first quarter of this year. That includes profits on North Sea oil which—to judge from the first quarter bonanza—must have been much higher.

The prospect is that the squeeze on the profitability of companies and financial position of companies will continue, and the latest quarterly bulletin from the Bank of England reads like a dirge. Manufacturing output is likely to remain flat for the rest of the year, cost pressures are continuing to mount, company liquidity is falling and so is the planned increase in manufacturing investment. At the same time pretty well all the improvement in export costs competitiveness which came in 1976 has now been reversed, and growth is slowing down in a number of important overseas markets.

These pressures were only too evident in the latest trade figures which showed that over the first five months of 1979 imports jumped sharply while the volume of exports actually fell a bit. Oil will be a much bigger contributor to the UK's current account over the rest of the year which means that, if official forecasts are to be believed, there is going to be a fall of several billion pounds in the balance of trade apart from oil. In other words, UK companies are losing market share at home and abroad. If the present trends in sterling, interest rates and inflation persist for long, important parts of British industry will be permanently damaged.

Rights issue

Thomas Tilling's share price is under a cloud. It is no-one's fault that three quarters of its recent £57m rights issue has been left with the underwriters. That was entirely the result of the sharp shake-out in the stock market during the period of the issue—and underwriters earn their fees for providing protection against just such a short term swing. They cannot complain, since this is the first time they have had to dig their hands deeply into their pockets for more than 2½ years.

All the same, it is clear that there are now a number of institutions holding Tilling's shares out of duty rather than love. In the coming months,

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there could well be quite a large overhang of shares available in the stock market seeking a more permanent home.

Long term shareholders need not worry too much, since this is already discounted in the share price—which has fallen by a fifth since the issue was announced, compared with a much more modest decline of about 5 per cent in the FT-Actuaries All Share Index. But the onus is now very much on Tilling's management to justify their expansion ambitions. After all, the stock market value of the group before the issue was around £350m. Taking in the new funds, it is now under £340m.

While the Tilling issue was limping sadly to a close this week, another leading conglomerate—Hanson Trust—was taking quite a different approach to raising new funds. It came out with a £17m rights issue, and instead of going to the expense of paying underwriters it pitched the rights price at such a deep discount to the market price that no conceivable market slide could make the issue fail.

There is a great deal to be said for this approach. Companies usually reject it—but for phoney reasons. Their merchant banks persuade them that the underwriting commission is a small price to pay for being absolutely certain of getting their money even in the event of a nuclear holocaust. That may be called over-insurance. And they also argue that shareholders would not understand if the nominal dividend had to be cut to compensate for the big scrip element in a Hanson-type issue.

The only really valid objection to the "deep discount" issue is that shareholders who decide not to take up their rights face a greater dilution in their share of the equity than would otherwise be the case. But it is open to question whether that actually means anything for the small shareholder who is in for the long term.

Electronics

Everyone agrees that there is room for a major reorganisation of the UK electronics industry but no one seems to have decided yet on what form it should take. This week saw three of the principal players flit briefly across the stage leaving the scene more confused than ever.

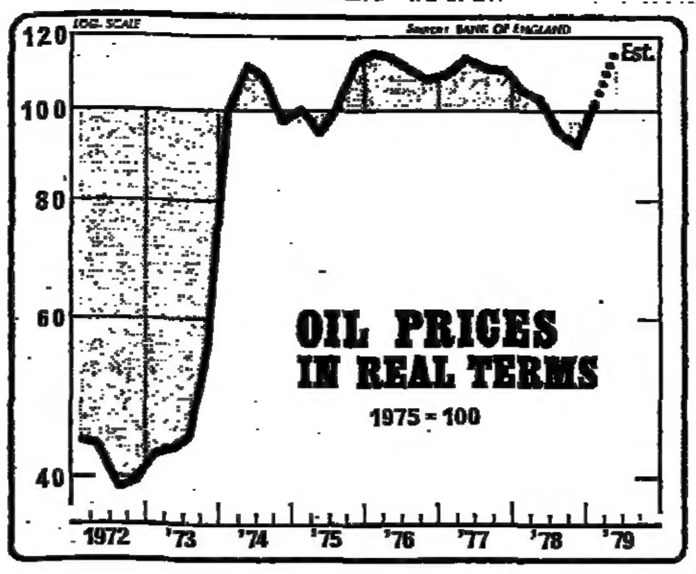
First to appear was Ferranti, which the Government rescued from near collapse a few years ago. Last autumn, the company made its stock market debut—and after a couple of years of dizzy profits growth everyone was expecting great things since it is heavily engaged in the fashionable "defence electronics" business. Unfortunately, instead of the £11m-£12m some analysts had been expecting, Ferranti's profits only managed to rise by 9 per cent to £9.9m.

The next company to appear was Racal Electronics — the ambitious growth star of the UK electronics industry. Unlike Ferranti, it did not let its fans down. It had forecast pre-tax profits of over £57m—and it produced £61.6m. Ten years ago it made under £2m and analysts are forecasting that its profits will continue growing at a steady 25 per cent per annum for several years.

Racal does not give many secrets away about its line of business but it is mainly involved in radio and data communications and roughly half its sales goes to armies around the world. A few years ago it was much smaller than companies such as Plessey, EMI and Decca, but now it is considerably larger in both terms of profits and market capitalisation. It has not disguised the fact that it intends to play a leading part in the reorganisation of the UK electronics industry.

However, Racal has not got the stage to itself. This week also saw STC, the UK subsidiary of the giant ITT group, come to the market with 15 per cent of its shares. Judging by the heavy demand for the offer, it has plenty of supporters—and it too wants to play a part in any industry reorganisation.

Finally, there is the National Enterprise Board which holds strategic stakes in both International Computers and Ferranti. It looks as if it will be forced to divest itself of these shares at some stage but before it does, it may decide to come up with its own blue print for reshaping the industry.



Boarders ahoy

Furness Withy, the British shipping group, went on the offensive this week to ward off the attempts by Mr. Paul Bristol, the chairman of KCA International, and Mr. Frank Narby, chief executive of Euro-Canadian Shipholdings, to gain an influence over its affairs.

Mr. Bristol, whose company holds 12.13 per cent of Furness shares, wants a seat on the Furness board. Mr. Narby, who has had to reduce his holding in Furness to 10 per cent at the request of an earlier Monopolies Commission ruling, is backing Mr. Bristol. Between them they have big plans for the group.

Their plans are to be put before shareholders at Furness Withy's annual general meeting next Thursday.

Furness has other ideas. It has a low opinion of KCA's record under Mr. Bristol. It thinks his plans are too sketchy, and are likely to lead to heavy financial burdens for Furness.

Mr. Bristol and Mr. Narby had been relying on the support of Mr. Keith Wickenden, chairman of European Ferries, who holds a 5 per cent stake in Furness.

But Mr. Wickenden is tired of his name being bandied about by the Bristol-Narby camp without his permission and is cooling towards their proposals. So Mr. Bristol and Mr. Narby are going to need the Nelson touch to bring off their raid at next week's meeting. Uncommitted shareholders should give them the thumbs down.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1979 High	1979 Low	
Ind. Ord. Index	476.0	− 2.5	558.6	446.1	Squeeze on industry profits
Gold Mines Index	185.4	+ 6.4	208.4	129.9	Strength of bullion price
Bertam Cons.	170	−30	228	103	Dull plantation sector
BP	1210	+68	1246	882	Increased revenue hopes
Brown (J.)	511	+22	592	356	Hopes of dividend boost
Caps Inds.	188	+12	196	130	Bid speculation
Cartiers	130	+14	143	106	Bid speculation
Century Oils	80	− 7	89	60	Proposed £1.3m rights issue
Davis (Godfrey)	125	+ 5½	128	88½	Good annual statement
Hwker Siddeley	192	−12	278	194	Cautious statement on outlook
Heron Motor	56†	+14½	59½	41	Bid approach
House of Fraser	188	+ 8	200	125	Revived bid speculation
ICL	452	−18	545	420	NEB may sell stake
IASMO	258	+32	258	124	Increased revenue/bid hopes
MFI Furniture	152	+28	156	54	Investment demand
Maynards	150	+18	156	124	Speculative demand
Metal Box	274	−28	358	274	Sterling effect on o'seas earnings
Siemssen, Hunter	78†	+16	78	54	Bid approach
Tecalemit	154	+ 9	156	123	Good annual results
Wankie Colliery	63	+ 7	65	26	Bright outlook for coal

† Price at suspension

U.K. INDICES

Average week to	June 22	June 15	June 8
FINANCIAL TIMES			
Govt. Secs.	70.72	71.51	72.84
Fixed Interest	72.59	73.29	75.08
Indust. Ord.	481.1	489.4	510.9
Gold Mines	186.3	187.3	202.6
do. (Ex $ pm)	163.0	161.3	165.6
T'tl. bargains	15,008	19,045	16,498
FT ACTUARIES			
Capital Gds.	246.23	254.10	266.06
Consumer (Durable)	232.24	236.32	246.75
Cons. (Non-Durable)	236.43	238.36	247.17
Inds. Group	238.05	242.21	252.02
500-Share	271.95	275.61	286.95
Financial Gp.	190.91	193.65	199.66
All-Share	249.30	253.09	262.60
Red. Debs.	57.51	58.92	60.01

Nudge nudge, wink wink

MOVEMENT, or lack of it, in the Dow Jones Industrial Average this week, disguises a touch of midsummer madness which has gripped the stock market. It reached a fittingly surreal climax yesterday when the opening of Chrysler Corporation stock was delayed because of reports that Volkswagen was planning a $15 a share takeover bid. At times in the past few days it has seemed that only General Motors and Exxon are ruled out as possible takeover targets. A host of companies have been putting out statements either that they were discussing a combination with some other unidentified company or that they could not explain strong activity in their stock which had apparently been fuelled by merger or takeover rumours.

NLT Corporation, an insurance holding company, and Champion Spark Plug, which needs no introduction, set the theme of the week on Monday. NLT's assertion that it was not interested in a combination with Ashland Oil, which had acquired an option to buy about 3m of its shares, or anyone else did not deter position taking which pushed its price up by 1½. Champion, meanwhile, took one leg out from

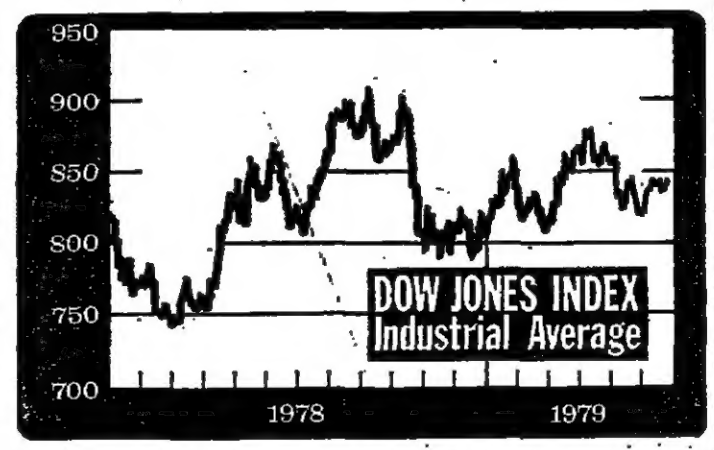
NEW YORK

JOHN WYLES

under its stock with a denial that a foreign company was interested in buying it. Speculators retreated merely to take breath for Wednesday when the market seemed to be totally immersed in a "nudge nudge, wink wink" approach to investment. No fewer than four companies felt bound to express mystification as to the interest in their stocks. SCM Corporation, which manufactures everything from typewriters to spices and sauces, was puzzled by its sudden wave of popularity. William Wrigley Jr, whose products tone up the nation's jaw muscles, could not explain why investors suddenly wanted to chew on its stock. Tandycrafts, handicrafts manufacturers, was bemused by a price climb of 1⅞ to 5½ while Integon Corporation, an insurance underwriter, was no less surprised to find itself on a number of buy lists.

Walter E. Heller, a commercial financing company, has been advancing in price ever since is disclosed that it had been approached on a possible merger by a foreign company. But on Wednesday, the price unexpectedly dropped 1⅞, felled by of all things a visit to the New York Stock Exchange floor by the heavyweight boxer Larry Holmes. Mr. Holmes proved more interesting to some brokers than the market and when they drifted away to see the man who may assume Muhammad Ali's crown, the specialist trading Heller was left with a fistful of sell orders and a temporary dearth of buyers. Trading was halted because of the imbalance and the share was unable to make up its loss before the close.

This would no doubt have brought a flicker of irritation to the men who have been responsible for much of the activity, mysterious or explicable, in so many stocks this week. They are specialists in so-called risk arbitrage—the business of speculative buying of either actual takeover candidates or possible and rumoured ones. Broadly, their aim is to profit from the spread between the price they buy at and the price at which the stock is purchased by the takeover company. Their risk is that they must make judgments on the likelihood of a takeover going through if the acquisition bid is resisted by the target company. When they act on rumours they risk them



proving to be false. The rewards can be so large that most of the large brokerage houses employ arbitrageurs who can also at times cost their companies a packet—the failure of the American Express bid for McGraw Hill earlier this year, for example, collectively cost Wall Street arbitrageurs several million dollars.

Their prominence in the market at the moment highlights its general lack of direction and the still tepid interest among institutions in adding to their holdings of equities. But at least some people see prospects of gain in the current market at a time when the cautious and the prudent are sitting tight and hoping for a better tomorrow.

CLOSING INDICES

Monday	839.40	—
Tuesday	839.40	—
Wednesday	839.83	+ 0.43
Thursday	843.64	+ 3.81

Breezy confidence in the face of gloom

MINING

PAUL CHEESRIGHT

GLOOM descending over the financial ministries of the West does not seem to have penetrated the boardrooms of the mining companies. While international experts grapple with the problems of inflation, energy shortage and recession, predictions of record profits have been coming from the natural resources sector.

This year will be the best in the history of Cominco, said Mr. W. G. Wilson, executive vice-president of the Canadian metals and fertilisers group. But he qualified the prospects for 1980: earnings are unlikely to be better than 1979.

The prize for confidence probably goes to Texasgulf, the Connecticut group which draws half of its pretax earnings from Canada and in which the Canada Development Corporation, a state-sponsored agency, has a 30 per cent stake.

"The time is right for Texasgulf because world demand for the essential resources we produce will continue to accelerate as far as we can see into the future and our products will command higher prices," said Dr. Charles Fogarty, the chairman.

Certainly such buoyancy has been translated into action on the London market, whose investors seem to have a more cautious point of view. Their interest would tend to be directed mainly to two mining areas—Australia and South Africa.

But trading in Australians has been lacklustre. This time of the year tends to be flat anyway. The Australian institutions keep their trading to a minimum as they square their books for the end of the June financial year. Beyond this, however, brokers are inclined to believe that, given their immediate prospects, Australian mining stocks are generally fully priced.

South Africans are in a rather different situation with the preponderance of gold stocks. The market has continued to hold firm, helped by the bullion price, so that the Gold Mines Index yesterday was 185.4, or 6.4 higher than at the end of last week.

But interest in South African gold shares, spurred by the movement of the bullion price, is scarcely a bullish point for other mining sectors. The high bullion price, bringing in its wake handsome yields on the shares, is a direct result of uncertain economic prospects.

If next week's summit meeting in Tokyo does little to relieve this uncertainty and there is an international downturn over the next few months, then it seems likely that Mr. Wilson's caution about 1980 may turn out to be more justified than Dr. Fogarty's buoyant attitude.

As it happens, both Texasgulf and Cominco are engaged in heavy investment programmes. Assuming that the international economy will take some years to adjust to the latest round of fuel price increases and a lengthy period of oil shortages, they could be lucky and have them completed in time for an upturn.

The latest expansion news has come from Cominco, which has hardened its plans for the development of three new mines over the next five years. The group expects to spend C$600m (£239.6m) on zinc-lead properties at Que River in Australia and Arvik in the Arctic and on the Valley Copper deposit in British Columbia.

By far the biggest of these projects is Valley Copper, where the orebody is large, about 800m tons, but is low grade. The mine would have a life of about 50 years, based on an ore milling rate of some 60,000 tons a day.

Development at Valley Copper will strengthen the growth of the British Columbian mining industry, which this week received another fillip from the announcement by Denison Mines that Romania has signed a sales contract for coal from the Quintette metallurgical deposit.

The agreement, which has been in the offing for some time, provides for the sale of between 25m and 30m tons of coal over a period of 20 years, with deliveries starting in 1983 at a rate of between 1.3m and 1.5m tons a year.

Quintette has been a project looking for a customer ever since a feasibility study was completed in 1977. Its present ownership is Denison, the project manager, with 38.25 per cent, **Esso Resources Canada**, the Exxon unit, with 16.75 per cent, and **Mitsui Mining** and **Tokyo Boeki** of Japan, with 22.5 per cent each.

But the equity stakes could change. Over a year ago the Romanians suggested they would like to consider taking a 10 per cent stake. This would no doubt be welcomed, not only as a means of forging east-west links, but as a way of spreading the development costs. The Romanians would probably make their financing contribution through the provision of equipment.

● The expansion of the South African gold industry could be taken a stage further if, as is expected in Johannesburg, **West Driefontein** extends its mining life by exploiting ground to the north of both its lease area and that of East Driefontein. **Gold Fields of South Africa**, the parent mining finance house, has completed drilling and is now considering mining plans and a means of financing them.

● The tangled internal affairs of **Hemerdon Mining and Smelting**, engaged in an exploration joint venture for tungsten and tin outside Plymouth, could be unravelled by the autumn. Dunwoody of Toronto, acting for investors, has reached a draft agreement with the company's original promoter on a share distribution, which will be put to the Supreme Court in Bermuda where the company is registered.

● **Beralt Tin and Wolfram** has worked out the exchange control details with the Portuguese authorities for the receipt of dividends from its operating subsidiary. It expects to pay shareholders a 4p dividend this year from the results of 1978 operations.

TIN OUTPUTS COMPARED

	May 1979 tonnes	April 1979 tonnes	Total to date (months) tonnes		Same period previous year tonnes
Amal. of Nigeria (tin)	¶	166	166	(1)	124
Amal. of Nigeria (columbite ...	¶	19	19	(1)	38
Aokam	95	114	1,346	(11)	1,456
Ayer Hitam	284	155	2,159	(11)	1,636
Berjuntai	323	335	323	(1)	340
Bisichi Jantar (tin)	¶	¶	319¾	(11)	362
Amal. of Nigeria (columbite)...	¶	19	19	(1)	38
CRM Sri Timah	140	35¾	379¼	(5)	603¼
Ex Lands Nigeria	¶	26	102	(4)	108
Geevor‡	96	90	186	(2)	186
Gold and Base (tin)	¶	26	102	(4)	100
Gopeng	154½	157¾	1,282½	(8)	1,122
Idris	23¾	24¾	114¼	(5)	84
Kamunting	54	60	114	(2)	69
Killinghall	51	40	285¾	(8)	446½
Kinta Kellas	29½	31	60½	(2)	86
Kuala Kampar	30	10	40	(2)	42
Lower Perak	16	13	16	(1)	31
Malayan	338	286	2,964	(11)	2,340
Pahang	137	122	1,129	(10)	1,463
Pengkalen	30½	30½	101½	(8)	69½
Petaling	56½	121¼	835½	(7)	825
Rahman	72	61	775	(11)	860¾
St. Piran—Far East	nil	nil	nil	(2)	38...
St. Piran—UK (South Crofty)	204	205	409	(2)	389
St. Piran—Thailand	76	75	151	(2)	165
Southern Kinta	146	151	297	(2)	287
Southern Malayan	185	167	2,147	(11)	1,845
Sungei Besi	169	157	326	(2)	295
Tanjong	18	11½	70½	(5)	87½
Tongkah Harbour	47	37	669	(11)	395
Tronoh	190	176	863	(5)	1,043

‡ Figures include low-grade material. ¶ Not yet available. Outputs are shown in metric tonnes of tin concentrates.

FINANCE AND THE FAMILY

Loss of title deeds

BY OUR LEGAL STAFF

My bank on my instructions lent some title deeds to registered land I own to my solicitor, who lost them. I obtained a loan from the bank on the security of the deeds, and now the bank is pressing me to repay the loan. Can my solicitor be held responsible for damages and hardship due to the loss of the deeds?

If your title is registered the only "deed" which will have been lodged with your bank is a Charge Certificate. Its loss can easily be remedied by the issue of a duplicate Charge Certificate—your title depends not on the document but on the entries in the Register at H. M. Land Registry. There is no reason why a duplicate Charge Certificate, or, if you have repaid the bank, a Land Certificate, should not be issued to you. If you can show that the loss of the document lent by the bank has actually caused the bank to call in your loan you might have a claim for the difference between the bank's interest rate and the rate at which you may have borrowed elsewhere in order to repay the bank. However we doubt if such causation can be proved. We do not think that you would succeed on a claim for hardship. Your partner's claim may be disregarded so long as he has not commenced proceedings in court to establish the claim and so long as your registered title remains clear.

Cottage transfer to children

Referring to your reply under "Cottage transfer to children" (June 2) as husband and wife are treated as separate individuals for the purposes of Capital Transfer Tax each being entitled to his or her annual exemptions, and bearing in mind that there appears to be no objection to a husband putting his wife in funds so that she may also give away £2,000 a year, is there any objection to the wife in the question put to you transferring the cottage into the joint names of herself and her husband first so that each may thereafter pass over to the children a sufficient part of the equity of the house to absorb the annual gift exemption?

While the logic of your suggestion is clearly correct, we think that there is a considerable risk of the Revenue's contending that the transfer into joint names is a sham, or alternatively an associated operation, and that there are in fact gifts by the wife direct to the children. However, a sufficient lapse of time between the transfer into joint names and the first assignment of an equitable interest to the children might cure this defect.

Do it yourself conveyancing

Can you please recommend reading material and forms to cover the sale of a house without the need to engage a solicitor?

Practical Conveyancing by Edward Moeran, No. 44 in the Oyez Practice Notes series. We must emphasize that if you do your own conveyancing you will have no recourse if you make an error which causes you loss, or if one gives rise to a claim against you by the purchaser.

Tax overcharge by mistake

In 1977 I sold three Short Dated Government stocks. The contract notes showed the accrued interest of 90 days (over the three stocks) as separate items. I entered these as "interest not taxed before receipt" in my 1977-78 Tax Return and was accordingly charged income-tax and investment income surcharge. I have now been told that there is a concession, whereby interest of up to 145 days is not taxed.

I asked my Tax Inspector for a refund, but was told he knew of no such concession. Could you please help?

You are indeed entitled to repayment of the income-tax (including the investment income surcharge), but not for the reason suggested to you. (There is no concession along the lines suggested.)

In fact, the amounts shown on the contract notes are not amounts of interest at all—and therefore they are not within the scope of income-tax—so you should claim repayment under section 33 of the Taxes Management Act 1970 (which covers situations like yours, where a taxpayer has been overcharged as a result of an error or mistake in his tax return).

The equity of redemption

I want to lend by sister £10,000 interest-free to enable her to buy a house, provided that when she sells it I get my capital back, plus half any gain which may be made. Can I do this without becoming a joint owner of the property, in such a way that any profit I may make will be taxed as capital gain and not income?

Your proposal presents certain difficulties as it could constitute what is termed a clog on the equity of redemption, and thus not be enforceable as to the profit element. In any case it may be difficult to avoid being charged to tax as on interest on the loan. You would probably do better and would certainly be more secure if you took a 50 per cent interest in the property— even if only in equity (that is, being a trust for sale).

Interference by radio

Despite having had several fairly expensive modifications done to my music centre, on the advice of the appropriate department of the Post Office, I still suffer continuous interference from a radio amateur station operated next door. Can you suggest anything I can do?

We think that you may have a claim in nuisance against the person operating the transmitter next door. However, such a claim would involve issues of law in construing the effect of the provisions of the Wireless Telegraphy Act 1949, and might assume the character of a test case. You would be wise to consult a solicitor if you wish to pursue such a claim.

World income and tax liability

I am a retired UK civil servant living in France and enjoy a pension of about £4,000 a year which is, of course, taxed at source. However, the Inland Revenue insists that I cannot claim any personal allowances unless I declare to them my whole world income, which, it appears, would cause me to pay more tax, though none of my income apart from the pension, comes from the UK. Are they legally entitled to take this line?

Declaring your world income cannot increase your UK tax liability. The most you can be required to pay is 34 per cent tax on £4,000 for 1977-78; for 1978-79, the most you can be required to pay is 25 per cent tax on £750 plus 33 per cent tax on £3,250 (assuming your pension was £4,000 exactly).

By declaring your world income, you may reduce your UK tax liability, or leave it unchanged. It is a pity you did not give us any idea of your world income, because it means that we cannot give you any idea of whether it is likely to be worthwhile to pursue this matter. The best move is to ask the tax inspector for a copy of the free booklet IR20 (Residents and nonresidents: liability to UK tax) which outlines the rules.

The basic rule (in section 27 (1) of the Income and Corporation Taxes Act 1970) is that no personal allowance "shall be given in the case of any individual who is not resident in the United Kingdom." However, this rule is modified in favour of former servants of the Crown and, among others, residents of France (under article 23(1) of the France-UK double taxation agreement of May 22, 1968), but application of the modified rule depends upon a declaration of income from all sources worldwide.

A pattern of payment

With reference to your reply under A Pattern of Payment (June 2), until April 1978 my water rate was collected by the local authority and I paid monthly. Now the Water Authority has taken over and refuses to accept these monthly payments. What please is the position in respect to water rates?

Section 30 of the Water Act 1973 given the Water Authorities a wide discretion to formulate their charges, so that a refusal of instalment payments is open to the authority. Your best course is to write to the Minister, and invite him to direct (under Section 31 of that Act) that a scheme should include the right for the ratepayer to pay by instalments.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Purchase of gilt edged

I live abroad and have on several occasions invested in British Government stocks. My bank seems to have great difficulty in obtaining repayment of tax deducted from the first interest payment. Is there anything, in the I buy the stocks or otherwise which can be done to avoid this problem?

If you ask your bank to make purchases through the National Savings system, there should be no problem — because interest on holdings on the National Savings Register is always paid without deduction of UK tax, regardless of where the stockholder lives. However, not all gilts are available on the National Savings Register, so your choice may be slightly circumscribed, and the risk of interest payments being suspended by strikes (as has happened this year) is possibly greater for the National Savings Register than for the Bank of England Register, because of the different trade unions in positions of control.

For Bank of England Register holdings, the exemption form (A3) needs to be submitted about two months before the due date of the interest payment, because of the early deadline for amending the Bank of England's computer program (as well as the variable pressure of work at the Foreign Dividends Office). However, we are puzzled as to why there has been delay in obtaining repayment of the tax withheld from initial interest payments; if the A3 reaches the Foreign Dividends Office before the due date of the interest (but too late to prevent tax being withheld), the tax can generally be recovered without more ado. Things are not quite so simple if the interest has to be claimed from the market, of course.

You may find that your bank can offer you exemption facilities through the use of its nominee company, under what is known as the E Arrangement. If so, this may well be the simplest solution (though not necessarily the cheapest).

Facing the problems of convictions and renewals

INSURANCE

JOHN PHILIP

UNDERWRITERS divide hazards into two kinds, physical and moral. It is often said that almost all adverse physical hazards can be rated, but adverse moral hazard is uninsurable. This is a sweeping generalisation with a substantial germ of truth. Criminal convictions usually go to moral hazard, but this is not often the case with motor insurance.

There can be few motorists who have a completely unblemished record after even a decade of driving, and insurers recognise that convictions for some parking and some speeding offences are almost inevitable. Insurers normally ask detailed questions about motoring convictions in their proposal forms, so that usually the motorist who answers insurers' questions accurately need not worry about disclosing motoring convictions that lie outside the scope of those questions.

But if motoring convictions are relatively commonplace, convictions for more serious offences — and some motorists might call these real crimes — are not. Although practice is now changing, hitherto insurers have not usually asked questions on home or personal all risks proposal forms about non-motoring convictions. However, the law is clear that the proposer has a conviction, say, for robbery or burglary, that such a conviction is a material fact of which insurers are entitled to be informed.

True the proposer's duty may be mitigated by the provisions of the Rehabilitation of Offenders Act which entitle him to deny with impunity the existence of a conviction that was registered so long ago that it is now "spent" (normally there is a five year maximum rehabilitation period), but the Act does not wipe the slate clean for all offences. Thus the proposer with a sometime conviction must look to the Act, and then take care what to disclose. The duty extends to convictions of members of the family living with him and is equally rigorous even when insurers do not require a proposal form.

Quite a lot of legal heat has been generated recently by two law cases which have re-emphasised the extent of the duty in respect of non-motoring convictions. Without being over-righteous, surely the great majority of honest citizens with honest families, who present no adverse moral hazard, are entitled to a better insurance deal than those who have got themselves on the wrong side of the law and then try to conceal this fact?

Turning now to renewals, the law is clear that the policyholder's duty of disclosure revives at renewal. Most personal lines renewal notices issued by insurers, as distinct from brokers, now carry reminders of this fact of our insurance lives. Consequently if on receipt of insurers' renewal notice I simply pay the premium, I am taken as reaffirming the information previously supplied, on which the insurers originally fixed the terms. This is fine so long as my risk has not changed materially in the preceding 12 months—but if it has, then I am guilty of non-disclosure if I just pay and say nothing.

For example, although household proposal forms are short, most now contain questions on occupancy to enable insurers to discover if the home is going to be left unoccupied regularly or frequently. In town and in many suburban areas such unoccupancy increases dramatically the risk of loss by burglary. Suppose on my proposal form I have answered insurers' questions indicating that apart from shopping, domestic and family outings and holidays, my home will be occupied, but subsequently my wife takes a part-time job five mornings or afternoons a week so that the house *is left daily for some hours*. This is a material change of risk, and while it is sensible for me to tell my insurers straightaway, certainly I must inform them when renewal comes round.

It is therefore good sense to keep a copy of each proposal form one fills in and a note of the supplementary material information one has provided so that as each renewal comes round a check can be made to see whether the risk to be renewed is still as described previously to insurers. There is no difficulty in keeping a small file in this way with one's policies, endorsements, certificates, and so on; and even over the space of a few years it can provide a salutary record of how one's particular risks have changed.

The size of an architect's bill can come as an unwelcome shock to the house owner planning an extension or the purchaser planning something on a grand scale.

Assessing the value of the architect's fee

ARCHITECTURE

COLIN AMERY

IT WAS the indomitable Sarah, *Duchess of Marlborough who* first gave architects a bad name. Sitting in the splendour of Blenheim she complained bitterly that John Vanburgh had built her a palace when all that she wanted was a home. Today, doubts about employing an architect arise from more mundane considerations. Is he or she going to be expensive? Can an architect do any more for you than a surveyor and a good builder? When it comes to adding that extra room why not just buy one off the peg?

The architect's job is twofold —to understand and interpret the needs of the client and then to convey his plans to the builder. But if you take the trouble to go to an architect you have every right to expect that extra, indefinable quality that comes from the professional designer. You are also paying for a touch of imagination.

There is, however, no point in pretending that the day to day business of building has any romance atached to it. You may pick an architect because he is the creative, sensitive type, but those may not be the qualities that will get you planning permission. Do not be taken in by the old saying (usually said by architects) that the architect's job is to give you what you didn't know you wanted—this will only lead to the undesirable Duchess of Marlborough syndrome.

How much is the architect *going* to charge you for that extra room or a new house? It is important to remember that his fees are regulated by his professional body, the Royal Institute of British Architects and that are all published in the booklet, *Conditions of Engagement* obtainable from the RIBA.

There are two scales of fees, *one for new buildings and one for the* conversion and adaptation of existing structures. On new work when the total construction costs are up to £2,500 (which would hardly build a garden wall) the minimum fee an architect can charge is ten per cent. The fee varies as the construction costs rise, from £2,500 to £8,500 it is 8.5 per cent; from £8,500 to £14,000 it is 7.5 per cent and up to £25,000 6.5 per cent. After £25,000 the fee is six per cent right up to £750,000, which even in inflationary times would build you a sizeable house. For the few who build houses costing up to £1m £1,750,000 the minimum fee rate is 5.75 per cent.

When it comes to conversions the scale of fees is different, although again based on the total construction costs. For a small job costing up to £2,500 the rate is 13 per cent and from £2,500 to £8,000 it is 12.5 per cent. The rate rises on a sliding scale so that work on a scheme costing more than £25,000 will be charged at ten per cent.

Many people opt for the 'half service' asking an architect to draw up a set of plans that will be used to obtain planning permission and then handed on to a builder. This is not the ideal approach and is generally not as satisfactory as the full service with an architect supervising all aspects of the job. When this partial approach is adopted the architect will charge an hourly rate which begins at £15.

What do you get for your money? The fees are charged in *stages on an elaborate* professional fee scale structure. The stages of payment run from sketch design, final design, working drawings to supervision right up to the final lick of paint.

On the average small job you do get the closest possible professional attention to all your requirements, from the negotia*tion of planning permission to* the creation of an imaginative new building. Apart from the design the most valuable service that the architect gives is to protect the client from bad contractors and to act as the final arbitrator in all disputes.

The architects as a profession do carry a great many risks, accepting, as they do, heavy liability for all aspects of the building process.

How do you set about finding an architect? The Royal Institute of British Architects will gladly advise and they have a remarkably comprehensive file of photographs. Many of the most interesting small new jobs are *published in the architectural* magazines as well as in the glossy fashion magazines. Personal recommendation is perhaps the most reliable as architects themselves are not allowed to advertise.

Good architecture advertises itself and design and skilled craftsmanship speak louder than any words of salesmanship. Today the architect *is* particularly good value because his fee scale is by no stretch of the imagination exorbitant and he is one of that rare breed that combines commercial intelligence with a trained artistic sensitivity. If you pick a good architect you will be indulging in one of the last areas of creative private patronage—as well as getting excellent value for money.

Your Weekend £: Austria 28.75, Belgium 65.00, France 9.07, Italy 1750, Greece 75.75, Spain 138.50, Switzerland 3.50, U.S. 2.1350. Source: Thomas Cook.

A time of change

EDUCATION

MICHAEL DIXON

WHAT began on October 18, 1976, and ended precisely 32 months later? The answer is a period when the party-political climate was favourable to constructive change in the United Kingdom education system.

The period was ushered in by Mr. James Callaghan when as Prime Minister he outraged professional interest groups by calling for a debate by the public at large with the aim of overcoming the faults in State education. It was also Mr. Callaghan who effectively closed the period on Monday by appointing Mr. Neil Kinnock, a Leftwinger, as the Opposition's chief educational spokesman.

Mr. Kinnock's Leftward stance surely guarantees political concentration on matters of educational doctrine, especially the *structure*—fully comprehensive or otherwise—of secondary schooling. Once again, therefore, barren ideological bickering will distract attention from sorely needed practical reforms to the *content of education so as to* provide the great majority of children with something far more useful to show for at least 11 years of compulsory school than most of them have now.

Because of this, the new "shadow" Education Secretary's appointment was doubtless acknowledged with a sigh by thousands of educational civil servants and local authority administrators. Three times in the present decade many of them have had to retrace their steps as incoming Governments reversed or resumed the national march towards fully comprehensive secondary schooling, first ordered by Labour in 1965.

Also among the regretful will be Mr. Roy Hattersley, who apparently wanted the education brief more than virtually any other, and the unseated Mrs. Shirley Williams, the former Secretary for Education and Science.

However much Mrs. Williams upheld her party's doctrine in *public*, her private concern was for practically productive reforms. By the time she became Education Secretary just before Mr. Callaghan called for the public debate, comprehensive schools had replaced the "selective" combination of grammar and secondary modern schools to so great an extent that Mrs. Williams largely delegated the comprehensive issue to Miss Margaret Jackson, her Parliamentary Under-Secretary. And the issue has since dwindled to even less importance.

When Mr. Mark Carlisle took over from Mrs. Williams last month 44 of the local education authorities in England and Wales already had fully comprehensive secondary education systems, and will not be permitted to "unscramble" them under the terms of the Conservatives' Bill which received its second reading in the House of Commons this week.

Of the other 60 authorities concerned, all but one—Kingston-upon-Thames—have some comprehensives, and about half can be expected to proceed with the conversion of their remaining grammar and secondary moder schools, whether or not their plans to do so were originally extorted by the late Labour Government's Act of 1976.

This suggests that, taken together, the Government's secondary-school policy will result in State financial support either wholly or partly for a total of about 200,000 pupils in around 350 schools which select their intakes according to childrens' scholarly potential.

But over the next five years, some of the State grammar schools in that total are liable to be converted into sixth-form colleges as local authorities strive to restrain costs under the inflationary pressure of a sharp *decline in the secondary-*school population. It thus seems sure that by the next general election the UK will be even more comprehensive than it was at the last, when five out of six children in the revelant age group were already in comprehensive schools.

The only sensible educational argument for converting the relatively few remaining selective establishments arises from the fact that such schools tend to "cream off" from comprehensives considerable numbers of children with high aptitudes for study of the academic kind. Recent research by Professor Michael Rutter of London University has indicated that unless comprehensive schools include a fair proportion of academically capable pupils, the schools will suffer a disproportionate decline in standards not only of scholarship, but also of behaviour.

It would be unrealistic, however, to argue that the effect of creaming-off would be detrimental to comprehensives in all parts of the country. There is cogent evidence that high academic aptitude is found far more commonly among children of middle- and skilled working-class families, than among those from semi-skilled and manual-working backgrounds. Areas inhabited largely by more prosperous families should therefore have a sufficient stock of academic talent to allow a selective school to cream off and more rapidly develop the most scholarly minority of children, without depriving the coexistent comprehensives of their "critical mass" of educational successes.

If the intakes of selective schools were organised so as to avoid any significant creaming off from areas where middle- and skilled working-class families are few if not far between, the Government's preservation of the mixed secondary system could be represented as offering only positive results. The minority of children whose intelligences run particularly in the academic direction could be raised to the highest standards of scholarship in the grammar and independent schools, whereas the standards attained by the majority in the comprehensives, although lower, need certainly be no worse than they are now.

While beneficial educationally, *however, the result would* hardly be desirable socially, because children living in the poorer areas would have a smaller success of high academic achievement which is increasingly becoming a precondition of a successful career in later life. But the important point for Mr. Kinnock and for the supporters of fully comprehensive schooling in his political Right, is that the cause of this inequality in youngsters' career prospects has *virtually* nothing to do with the structure of secondary schooling.

Neil Kinnock

Even though more and more employing organisations are restricting entry into their higher-grade jobs to recruits who have done well in the academic examinations, many personal specialists doubt that *the exam-criterion has much* positive value.

It is often the case, for example, that a graduate will cope less successfully not only with work but also with occupational training than a keen young worker with lower attainments in education. But the key word is "keen," because it is far more likely to be true of *youngsters* who have done relatively well at their lessons than of those who have done badly at school. And success at school is primarily determined by the possession of an academic type of intelligence, because no education of other than the academic kind has been adequately developed.

The unfair effect of education on children's career prospects is bound to persist—and to the detriment of the economy—until the schools can provide an "alternative content" suited to the majority of pupils whose intelligences run in directions other than the academic.

The lack of such alternative studies is partly the fault of a *history in which* secondary schooling was provided for only a few children. Their needs were well met by the academic tradition, soundly developed over several centuries.

By contrast it was only 35 years ago that local authorities generally provided secondary schools for the rest of the nation's children. The secondary modern schools created by the 1944 Education Act were intended to supply the less scholarly majority with a different kind of study. Given that the only teachers available had been trained in the academic tradition, the development of the alternative content could not have been swift in the best of circumstances. But it was suddenly arrested in 1965 by the start of the political tug of war over the structure of secondary schooling.

With most people working in education anxious to see the way cleared for effective improvements, it seemed possible that Mr. Carlisle could be persuaded to accompany the preservation of selective schools to which his party has always been pledged, by positive measures to develop the much needed alternative studies. That possibility, however, depended much on the appointment of an Opposition educational spokesman moderate enough to let the counter-productive ideological dispute over fully comprehensive schooling give place in politics to questions of some practical importance.

Sadly for education, Mr. Kinnock has earned the reputation of being a politician *of entirely the opposite kind.*

UNIT TRUST AND INSURANCE OFFERS

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YOUR SAVINGS AND INVESTMENTS

EDITED BY EAMONN FINGLETON

he breakdown of the National Health Service has created demand
r a new kind of medical insurance plan. **Eric Short** reports

'he AA's reconditioned plan

AL INSURANCE at a most better-off wage s can afford is now avail- a new scheme from the obile Association.

AA's idea is to insure ainst having to wait long for treatment under the al Health. Thus the cost ms is much lower; you benefit in a premium at 0 per cent cheaper than usual comprehensive l insurance schemes from United Provident ation (BUPA) and Pri- atients Plan (PPP).

AA's reasoning is that middle and lower income are probably happy to n the National Health in the first instance for treatment and will only consider going private if their illness cannot be treated quickly.

Under the AA's plan, you first go to your own NHS doctor. If he thinks hospital treatment may be needed he will refer you to a consultant under normal NHS procedures. AA cover is triggered if the consultant finds that the waiting time before you can be treated under the NHS is more than six weeks.

The need for such cover has drastically increased in recent years as NHS patients have had to endure ever-lengthening queues for treatment for many serious, if not fatal, illnesses.

The plan also pays out £15 a day for each night's stay in hospital. This is to meet incidental expenses the family will incur in, for instance, making hospital visits. If you are in hospital and your wife does not drive, she may have to pay taxi fares. And if she has young children she may have baby-sitter bills.

The plan, which is underwritten by PPP, was drawn up after extensive market research among AA members. PPP's normal Masterplan is already available to AA members at a 15 per cent discount.

The new plan will cover most families for £9 a month. By comparison, in the case of a 35-year-old man in the AA, PPP's Masterplan would cost £15.03 a month for the most basic level of family cover. The cost is £16.37 a month where the father is 42 and £15.48 where he is 50.

It is hard to see how PPP can continue to market Masterplan successfully in the light of the new plan. But PPP insists that Masterplan caters for a different, more demanding market—so the new plan is complementary.

According to BUPA, one of the hidden snags of the new scheme is that the time lag between seeing your doctor and being examined by a consultant may in itself be several weeks. Under a normal comprehensive medical scheme you see a consultant straight away.

PPP replies that the policyholder can by-pass this problem by seeing the consultant privately at his own expense. Then if a trip to hospital follows, the consultant's fee will be reimbursed by PPP.

he importance of being Ernie

AMBLING

AMONN FINGLETON

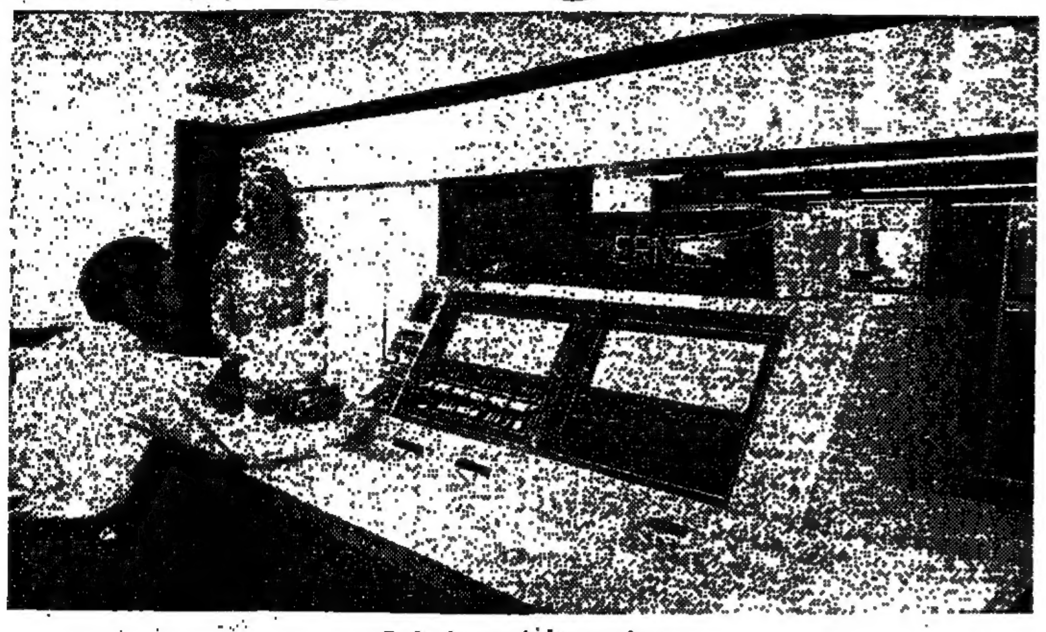
TIME someone spoke avour of Ernie, currently y the country's most lar computer.

, the machine which Premium Bond winners, focus of savers' rage e recent cutback in the of prizes being paid. ze rate has been slashed v civil servants to clear log of administration g a computer workers'

een September and next , the total number of will be slashed from a 120,000 a month to only Several readers have to complain and one Newcastle upon Tyne n raised his grouse with du Cann and Len

ints out that each bond's of winning in any have been slashed from 10,800 to only one in

the National Savings nent replies that the the prizes has been led on average and so tal prize money has d unaffected at about month.



Ernie: less work, larger prizes

In fact, as gambles go, Premium Bonds are a good one.

To compare Premium Bonds with other gambles, remember that your stake money is not what you pay for the bonds—you get that back eventually—but the income you forgo in having capital tied up in an arrangement that does not pay interest.

For a basic rate taxpayer putting the maximum £3,000 in bonds, the cost each year is around £240 in lost interest (this is what he would get if he invested instead in a building society). The prize money represents a return of 5¾ per cent each year on the total bond kitty—and this represents a return of £172 on average on each £3,000 invested. On average therefore, winnings work out at about 70p for every £1 stake.

That is well below the winnings ratio of around 80p per £1 of stake for horse racing punters but compares well with about 50p from the new "instant" lotteries. The pools come out worst with a ratio of just 30p of winnings for every £1 staked.

Ernie looks a better bet when interest rates are low. And the prizes, which are tax-free, are more attractive the higher your tax rate.

npany finance chiefs often
e fresh capital when share
es are riding high. So rights
es can pose a dilemma for
stors, writes
hard Lambert

'hose money it, anyway?

D SHAREHOLDERS take ts issues? The question en on some urgency in weeks, when a spate of es has been followed by fall in the stock market. case of the Thomas Tillue, which closed this e answer was easy. The price had fallen to such nt that the rights were t worth taking up, and of three out of every ares wisely decided to heir hands in their

ally, though, the rights th something, and share- have to take a longer iew about the company new funds. There is evihat far from putting new into the business, it n some cases be better out altogether.

brokers Wood Mackenzie alysed the share price ance of all the com- which raised £25m or n the two years up to 77, and have come up with some pretty bleak results. Shares in 12 out of the 16 companies concerned have subsequently performed a lot worse than the stock market as a whole. Taken together, the average underperformance is around 20 per cent.

The record of more recent big issues looks just as bad. For instance, investors who took up their rights last year in Alexander Howden, Turner and Newall or Beecham must now be feeling distinctly rueful.

Of course these are all very big companies. The statistics show that the shares of smaller businesses that have made rights issues have actually managed to do a bit better than the market as a whole.

One possible explanation for this pattern is that large companies as a whole (and not just those which have made rights issues) have tended to put up a weaker share price performance than the smaller fry in recent years.

But it is also worth remembering that in the case of very large companies the managers of a business are not usually its owners. Unless their personal fortune is involved, finance directors all too often want to raise as much money as they can in return for as few new shares as possible. They are also tempted to treat rights issues as a kind of insurance policy.

If this is the case, they will recommend an issue at a time when they think that their shares, relative to the rest of the market, are as high as they are likely to be in the foreseeable future. Their idea of "good timing" may well turn out to be very bad timing from the point of view of shareholders.

Of course it is wrong to generalise. *But it is worth drawing up a checklist of questions to tick off before subscribing for a rights issue:*

- Is it sensible to put new money into the equity market, rather than any other form of investment, at present?
- Would I have been happy to buy more shares in this company even if I hadn't been asked?
- Are there good reasons for this issue, or is it just financial opportunism? The only reason for putting new money into an enterprise is to make the future returns higher than would otherwise have been possible. If the company is only able to waffle about why it needs the money, the chances are that it does not deserve to get it.

RIGHTS ISSUES AND SHARE PRICES

	Ex-rights Date	Relative Price Performance* Before %	After %
Glaxo	June '75	+ 47.9	−29.5
Royal Insurance	September '75	+ 17.5	−31.4
Grand Metropolitan	October '75	− 29.7	+28.8
Eagle Star	December '75	− 14.1	−20.7
Plessey	December '75	− 33.7	− 2.5
Lloyds Bank	February '76	− 15.1	−16.0
Standard & Chartered	March '76	− 23.4	−17.5
Lucas	May '76	+114.4	−13.1
ICI	May '76	+ 24.3	−36.9
Reed International	July '76	− 24.6	−54.5
National Westminster	July '76	− 19.0	− 2.2
General Accident	October '76	− 1.8	−14.1
GKN	April '77	+ 7.0	−40.5
Thomas Tilling	May '77	+ 12.9	+13.9
Dunlop	May '77	+ 90.5	−51.9
Bowater	May '77	− 1.3	−33.2

* Share price performance relative to the All-Share Index in the two years before the ex-rights date and the period since.

Source: Wood Mackenzie

oney onitor

tting roof

ing Societies can e house price booms—it's official. The Bank of d says so in its latest ly bulletin.

bank's comments on prices this week seemed cuous that most commenlid not even report them. r the building society ent they are about as wels a mortgage application lat-roofed conversion in

ing society leaders have washed their hands of ibility for house price ons. And for good rea- admit they play a part he to invite the Bank land to strap a corset e equally uncomfortable device around their increasingly ample bellies.

The bank's bulletin said that in the long run construction costs and the availability of land are the main determinants of house prices.

But it added: "In the short term, with the supply of new houses nearly fixed, changes in prices must stem largely from changes in demand. The underlying demand for houses might be expected to depend on incomes and the cost of finance; but the extent to which this is translated into effective demand is likely to be influenced by the availability of finance, particularly of building society mortgages."

Building societies are used to being lectured on this score and they bowed to government pressure last year to cut their lending in a vain effort to keep the lid on house prices. But this is the first time the bank has publicly joined the attack.

The Building Societies Association's answer is that recent research has shown that there are many determinants of house prices and they interact in an unexpectedly complex way. The association's chairman, Leonard Williams, maintains that the joker in the pack is public confidence in the market.

He says: "At time when people expect house prices to remain fairly stable they may prefer to find a buyer for their existing home before they find the place they will buy. Immediately it seems that house prices may rise rapidly everyone appears as a buyer in the market before he puts his own place up for sale. This can have a strong destabilising effect on the market.

Canny grannies

ONE OF THE less welcome aspects of the Budget for savers is that it has sent the cost-of-living shooting up again.

Even the Government is forecasting that the year-on-year rate of inflation will hit 17½ per cent in November. And if wages are not kept under control, high inflation may continue to erode the real value of savers' capital for some time.

So now is a good time to invest in the National Savings Department's index-linked savings plans.

With the inflation-proofed "retirement issue" of National Savings Certificates, for instance, you get tax-free inflation-proofing bonuses to compensate fully for the rise in the cost-of-living provided you invest for at least a year. Men over 65 and women over 60 can put up to £700 in the certificates. A husband and wife between them can invest £1,400 — and on death the surviving spouse can inherit the total holding and keep it invested in the certificates.

If you invest before the end of August, you will get the benefit of the rise in the cost-of-living caused by the Budget value added tax increase. This is because the base figure for calculating the cost-of-living bonuses is linked to the level of the Retail Price Index announced in the month before you made your investment.

A tax-free return of even 10 per cent is very hard to beat—yet the merits of the certificates are barely understood. Of about 9m pensioners only 1.65m hold the certificates.

Saving grace

CHARITIES

EAMONN FINGLETON

ONE OF THE MOST effective ways of helping a charity is to donate to it the interest on some of your capital.

The income is probably worth far more to the charity than it is to you. This is because the charity does not pay tax—so the saving is the tax you would otherwise have to pay. The higher your tax rate the more effective the arrangement is.

The idea was pioneered by the little-known Colonnade Financial Fund three years ago. Now the fund has been revamped to enable it to carry the message to a wider public.

The major change is that the fund is now under the wing of Dr. Barnardo's and the National Children's Bureau, an umbrella organisation for children's charities. The board has been reshuffled to include nominees from these organisations. And the fund, now renamed the National Children's Charities Fund, is launching a drive to raise more money.

The minimum deposit you can make is £100. For amounts less than £1,000 the charities take all the interest, but for larger ones you can choose to take part of the interest yourself. The fund places the money with the clearing banks and local authorities and is currently earning nearly 14 per cent.

You can withdraw your money on two days' notice at the beginning of each month.

The nearest rival to the tax advantages of this system are covenants where you agree to make a yearly donation to charity. If the payments are due to last seven years or more, the taxman will subsidise the arrangement to the tune of 30p for every 70p you pay.

Philip Cowen, a director of the National Children's Charities Fund, points out that for anyone paying basic rate tax or more on his savings income the interest scheme is at least as effective as a covenant but without the considerable psychological stumbling block of having to make a seven-year commitment.

You can write to the fund at 31, Copthall Avenue, London EC2R 7BP.

What goes up . . .

INTEREST RATES

ERIC SHORT

INVESTORS CAN now get a return of more than ten per cent net of basic rate tax from guaranteed income and growth bonds. New higher interest rates were announced by life companies this week following the Budget increase in minimum lending rate.

Probably the pick of the bunch is Provincial Life's new rate of 10¼ per cent net of basic rate tax over five years. Trident Life is offering ten per cent net over four years. But the picture is changing every day and investors should shop round to make the most of latest changes.

But they should be quick about it. Money market interest rates for four and five year deposits stand at 12¾ per cent—a very high rate, but already reflecting the expectation of a fall in MLR. Stockbrokers Phillips and Drew expect these rates to go little higher if at all. They could come down quite soon and if they do, life companies will have to follow and drop their yield on bonds literally at a moment's notice. So investors will not be going far wrong if they buy now.

Life companies are also improving their annuity rates. Scottish Life Assurance, a leader in this sector has lifted its annuity rates by £6 for every £1,000 invested. Now a 65-year-old man can get an annuity of £1,684 a year for an outlay of £10,000. Other leading life companies are likely to follow suit.

Investors considering buying an annuity are under less pressure to act quickly. Annuity rates are based on longer term interest rates and these are looking more stable. And annuity quotations are held for at least a week.

PROPERTY

Looking at premium-free attractions

BY JUNE FIELD

MY TAXI driver was bemoaning the fact that he had to pay the currency premium on his Spanish seaside apartment, and now with its abolition, if he wanted to sell he couldn't get that extra amount back. How much had he paid, and when? Oh, about £5,000 plus 25 per cent premium quite a few years back.

And *how much* would you have to pay now? You couldn't buy an apartment in the same block at the moment, and if one came up, the asking price would probably be about £25,000 to £30,000, he admitted. The same builder was building apartments in not nearly such a good position, and as soon as the stakes were in the ground they were all sold for 4m pesetas (about £28,000). Need I say more? Those who bought right, even with the premium, hardly have *cause to complain.*

With the budget bonanza of £100,000-worth of premium-free currency per family to spend on property and improvements each year, the important thing to remember is still to go to experienced agents and developers who have built up a reliable reputation, and to make sure that any monies get paid through a bank. And you still need to fill in form P supplied by your local bank, when you want to purchase overseas. *It's an "application to make* payments in respect of the acquisition, maintenance or improvement of property owned for private use outside the Scheduled Territories," and the questions are still fairly searching.

So what's new on the Costa del Sol, *still one of the most* popular areas to buy in? Flourising property developments, new yacht harbours, two casinos, even more golf courses (17 all told), discreet top-less sun-bathing, hotel strikes—*these are some of the changes* on the long stretch, Malaga to La Linea on the border, fairly typical of other Spanish coastal *regions under the new regime.*

Marbella, the principal town, is still a mixture of the international rich, tourists and flower-people. Elizabeth Coty of the perfume family has a beautiful renovated farmhouse near the sea, Prince Salman, brother of the Saudi Arabian king, is having a domed palace of 18 bedrooms, 16 baths and a *guard-house built on the* main coast road, and outside the plush Casino Nueva Andalucia, licensed to José Banús, creator *of the Port,* but run by Coral Casinos International as technical advisers, sit the hippies, exhorting one to come to the Lord.

All this I found on a property inspection tour the other weekend: leaving Heathrow 4.20 p.m. Friday, I was enjoying dinner in the luxury Melia Don Pepe Hotel, Marbella, a few hours later. First call the next morning was to the pretty Jardins de Mar, smart creeper-clad studio and one-bedroomed apartments in the grounds of the hotel, developed by a Melia subsidiary. With sea and mountain views, two swimming-pools if you don't want to walk *the few yards to the beach, they* have been designed to appeal to those wanting the privacy of their own small place as well as the convenience of hotel services. Prices about £30,000-£40,000.

Best and most interesting budget buy in the area is undoubtedly at La Pacheca, San Pedro de Alcantara. It is five minutes walk from the little white Andalucian village of Benahavis in the mountains up *the twisting valley of the* Guadalmina River past tumbling rapids and waterfalls, yet only 12 kilometres from the *yachting centre of Puerto* Banús. The enchanting complex is gradually building up into a little community of its own, with cobbled courtyards, cool green patios, fountains, boutiques, pools, tennis courts and so on.

Sounds idyllic? It is, and all the first phase have been sold, with the exception of a miniscule studio-apartment which was snapped up at around £9,000 while I was there. Prices for the next apartments, which are building now, range from £13,500 for two rooms, to £27,500 for a four-room duplex with two baths, or you can knock two together for a larger living-space if you get in early enough. There is a bank-backed *schedule of easy-*purchasing terms, and a bank guarantee available by the contractors, important when buying off plan.

Agents for all these complexes are Galvez-Cañero/Donaldsons, Muelle de Rubera 4, Puerto José Banús, Marbella, who will send a portfolio of a selection of properties for sale, including old mills and farmhouses in the rough or done up. *Managing* director Ninian Crichton-Stuart, while asserting that turnover and profits are "quite fantastic," also admits: "The property business now is quite unlike the boom of the early 1970s. *Then it was a highly* speculative situation. A great deal of money was made in 1973 —a great deal lost between *1974 and 1977. Present-day* property deals are much more sophisticated, details much more accurate, price structure and profit margins much more carefully assessed. We all work very much harder in a highly professional business."

Agents for Galvez-Canero/Donaldsons in Britain are Montpelier International Properties, 9 Milner Street, London SW3, from where Felicity Hoare will also send full particulars, plus an explanation of the taxes and charges on the transfer of property in Spain, which are generally considerably less than in Britain, and which certainly don't warrant the bad publicity they received a few months back, largely due to ignorance *of how they were worked out.*

Les Jardins de Mar, in the flower-filled grounds of the Melia Don Pepe Hotel, Marbella, with a backdrop of the mountains, is a pretty creeper-clad apartment block of studio and one-bedroom flats from about £31,000. Brochure Felicity Hoare, Montpelier International Properties, 9 Milner Street, London, SW3, or Robert Gemaux, Manager, Galvez-Canero/Donaldsons, Puerto Banus, Marbella, Malaga.

Adding up the extras

BY JUNE FIELD

WHAT SHOULD you include in your asking price when you are selling your home, apart from the obvious fixtures and fittings? "Try to avoid quoting carpets, curtains, cooker, refrigerator and so on as part of the original figure," advises David Armour, of Bernard Thorpe and Partners.

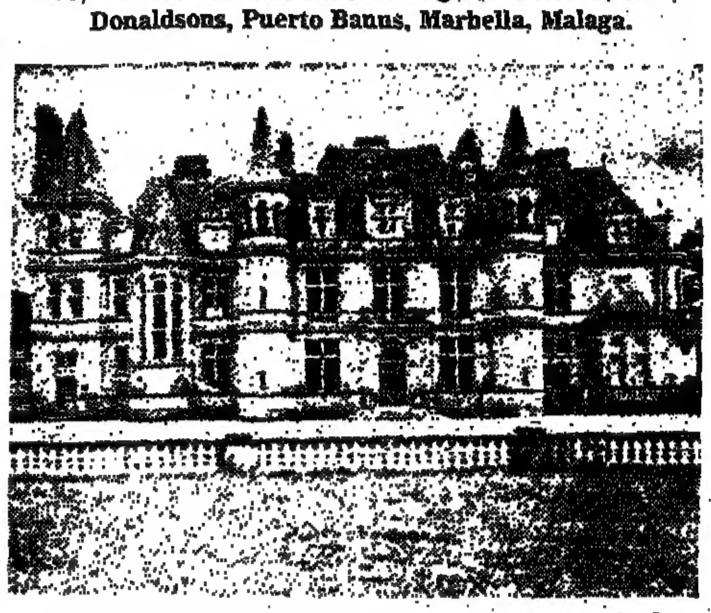
"You will just be giving them away. It is far better to say that they are available if required. And if you really don't want to take them with you, or they will cost you too much to remove, then consider certain items as a negotiating point, including them only if they will clinch a sale."

It is important to remember not only what the things cost you, but what they would cost to replace and instal. One Thorpe client admitted that after they had gaily said that such refinements as their dish*washer, mirrors, specially* tailored light and curtain fittings, extra shelving and so on were part of the sale package, they had effectively allowed a discount of £2,000 or so.

Valuation of both property *and furnishings is becoming* more and more difficult though, insists David Armour. His latest offering that he admits poses a bit of a problem on price is what you might call a stately apartment in the High Victorian Wykehurst Park, Bolney, a sort of fairy-tale castle hidden away in 13 acres in the depths of the Sussex countryside. The accommodation *includes the grand* hall, Louis XV-style marble-pillared drawing-room, Adam-style library and elaborately carved walnut-panelled dining-room believed to have been commissioned by Catherine de *Medeci in 1550 for a cardinal's* palace in Florence.

A majestic staircase leads to the two main bedroom suites and staff flat. There is garaging for six cars in the basement, and a veritable warren of 18 *rooms that could be converted* to other living quarters.

Wykehurst Park was designed by Edward M. Barry, son of Sir Charles Barry architect for the Houses of Parliament: the house was built in the style of a *Loire chateau for Henry Huth,* son of a German banker, and had a chequered history before being converted to flats around 1973. *To get the last owner's* prime accommodation you have to buy the whole place, including the eight apartments sold off on 99-year leases. The price tag is between £250,000 and £½m, and the best offer will probably *get the splendid floor* coverings and curtains and modern kitchen equipment thrown in. Full details David Armour, Bernard Thorpe and Partners, 19, Chesham Road, Brighton, Sussex, telephone 0273 684997.



Wykehurst Park, Bolney, Sussex, in 13 acres, is for sale with vacant possession of part of the lower, ground and first floors. Full details David Armour, Bernard Thorpe and Partners, 19 Chesham Road, Brighton, who are inviting offers in the region of £250,000 to £½ million for the whole of this High Victorian mansion built in the style of a Loire chateau, which is now divided into apartments.

هكذا من الأصل

Veeds in a wet season

ARTHUR HELLYER

SE PAST FEW weeks have more than usually difficult controlling weeds which grown apace with little p in the weather to allow g to be carried out effec-. Even hand weeding has a problem in all those where it could not be from path or lawn since ery act of treading on my nerous mixture of clay and and has been to risk con-tion for the rest of the er.

weedkillers have often ed the only solution and and more I wonder how people who object to her-s on principle manage to n without them. Of course will reply that we always ged quite well before n herbicides were inven-nd when sodium chlorate, nly one readily available, oo risky to use on anything rives. But then in those labour was cheap and available and there was fficulty in finding some-help when weeds threat-to get out of hand. Nowa-even if one could afford ice no one wants the occa-weeding job.

I make do with herbicides there are times when I they are actually better physical weeding. There is sturbance of the soil no erence with roots and, ed chemicals are chosen applied with care, I sel-see any damage resulting den plants.

most purposes I prefer ng to sprinkling. It con-bly reduces the volume of cal required and this is ly an economy in cash but greatly reduces the risk he chemical will penetrate it is not wanted. Of one must choose the moment for the work, not pting to spray when it is , but waiting for a calm which often occurs at time even on a windy day. also wise to modify the r a little, fitting a hood he nozzle so that spray is ed where it is required oes not drift out in a wide My own hood was made the bottom few centi-of a plastic flask sawn th a hacksaw and drilled a central hole just large h to allow it to be ed over the socket that es the spray nozzle to the It cost nothing and is effective. I also reserve raying machine solely for ides. If this is not done, ll too easy for traces of erbicides to remain and all sorts of trouble when achine is used for other es.

I experiment with various herbicides, but keep coming back to paraquat and diquat mixtures as the most generally effective for all that kind of weeding that would otherwise be done with a hoe. These chemicals are not themselves selective except that I think they are even more deadly to grasses and bulbs than most other plants. Most of the damage that has occurred in my garden has been to daffodils and I have come to the conclusion that, even after they have died down completely, it is possible for paraquat or diquat to trickle down the crevices left by the dead leaves and flower stems, reach the bulbs and remain stored in them until the next spring without losing their power to kill. Even with a sprayer I would hesitate to use either chemical where bulbs have been planted.

Otherwise it is just a matter of being very careful to ensure that the spray goes on to the weed leaves and not on to those of any garden plant since all are vulnerable to a greater or lesser degree. I have heard it said that primroses are little affected and there may be a few other plants that are capable of recovering fairly rapidly. Certainly most strong rooted perennial weeds do so, including docks, dandelions, nettles, bindweed and ground elder, and it may be necessary to treat these repeatedly at intervals of a few weeks before they give up completely. Couch grass is an exception, succumbing quite easily to a couple of applications especially if these can be followed by forking a few weeks later to allow the dying roots to be picked out. For garden use a paraquat-diquat mixture in granulated form is marketed under the trade name Weedol and this greatly reduces the risk of anyone taking an accidental and possibly lethal dose of what, in their concentrated forms, are dangerous chemicals. Even so I would advise keeping the granules well out of reach of children.

This year I have been experimenting with glyphosate which farmers have been using to clear ground before sowing cereals and other crops or before planting brassicas and fruit growers have been using both in established orchards and to clear weeds before planting young fruit trees. Now Murphy Chemical have marketed it for use as a general garden herbicide under the easily remembered trade name Tumbleweed.

Like paraquat and diquat, glyphosate acts through the leaves and is said to have no harmful effects in the soil. Certainly I have observed none even though I planted a pretty miscellaneous collection of woody and herbaceous plants on ground that had been treated with it a few weeks earlier. Unlike paraquat and diquat, it is slow in action, several weeks elapsing before grass and other weeds start to turn yellow, but growth appears to be arrested almost at once. The concentrations recommended are rather high, 56 millilitres of Tumbleweed in 600 millilitres of water (2 fluid ounces per pint for those, like myself, who find the old measures more immediately quantifiable). Apart from the fact that glyphosate appears to be far less toxic to warm blooded creatures than either paraquat or diquat I cannot as yet see any particular advantage over those herbicides but it is early days to be sure about that. Certainly it did its job on all the weeds I used it on except ground elder and that could have been because I applied it too early before there was sufficient growth to absorb the herbicide.

For paths and drives in which no plants have to be considered, simazine still seems the best herbicide, slow in action but very long lasting so that one application can be sufficient for a whole spring and summer. Fisons now mix it with MCPA and aminotriazole, presumably to make a faster acting weedkiller which will also be effective against deep rooting and well established weeds. The mixture is prepared in powder form, packed in sachets each containing enough for two gallons of weed killer and marketed as Kilweed. Both the mixture and simazine on its own must be applied as a sprinkle, not a spray, since the object is to form a film of herbicide in the surface soil not to dampen leaves which is what is required with the contact herbicides.

Leaf dampening is the right technique for all the selective lawn weedkillers such as MCPA 2, 4-D and mecoprop since they, too, must be absorbed through the leaves to be effective. These really are selective chemicals in that they kill many broad leaved plants but only slightly check grass. None of them kills every weed that may infest lawns which is why some manufacturers prepare mixtures of them rather than offering them as individual chemicals.

Dalapon is a selective herbicide which works the other way round killing grasses, including couch grass, but only checking or slightly damaging most broad leaved plants. Fruit growers use it to kill grass around established tree fruits and also in soft fruit plantations but here only in winter when the bushes are dormant. Mixed with MCPA, dalapon becomes an effective total herbicide acting through the leaves.

CINEMAS

CLASSIC 1, 2, 3, Haymarket (Piccadilly Circus Tube), 01-839 1527. 1: THE BUDDY HOLLY STORY. In full stereophonic sound. Progs. 12.30, 3.35, 5.40, 8.15. 2: THE WORLD IS FULL OF MARRIED MEN (X). Progs. 1.15, 3.30, 5.50, 8.10. 3: Gregory Peck, Laurence Olivier THE BOYS FROM BRAZIL (X). Progs. 2.20, 4.55, 7.40.

ODEON LEICESTER SQUARE. 930 6111. THE LADY VANISHES (A). Sep. progs. Wk. doors open 1.45, 4.45, 7.45. Sun. 3.00, 7.30. All seats bkble. in advance at Box Office or by post.

LEICESTER SQUARE THEATRE. 930 5252. THE MUPPET MOVIE (U). Sep. progs. Dly. 2.00, 5.15, 8.30. Late Night Show Fri. and Sat. 11.45 pm. Seats bkble. in advance for 8.30 prog. Mon.-Fri. & all progs. Sat. & Sun. No late show or special morning show advance booking.

PRINCE CHARLES, Leic. Sq. 437 8181. Dustin Hoffman Vanessa Redgrave AGATHA (A) Sep. Perfs. Dly. (inc. Sun.) 2.30, 5.55, 8.35. Late Show Fri. & Sat. 11.15. Seats Bkble. Lic'd Bar.

LEISURE

Lucrative Channel Islands

IN 1967 the British Postmaster General announced that the Post Office would become a public corporation in 1969 and offered the Channel Islands the opportunity of establishing their own postal services; if they so wished. Accordingly, on October 1, 1969, the bailiwicks of Guernsey and Jersey became postally independent and began issuing their own stamps and postal stationery. In the decade which has since elapsed both postal administrations have pursued a fairly moderate policy, coupled with stamps of attractive and imaginative designs directly relevant to the Channel Islands. It is hardly surprising therefore that Channel Islands stamps should have become very popular with collectors, not only in the British Isles, but all over the world, and inevitably this is reflected in the high prices of the earlier issues.

Complete sets of the 1969 definitive series of both Guernsey and Jersey could be obtained on First Day Covers at the time for about £2 each: today they rate £65 and £50 respectively. Some of the commemorative issues have performed even better. Guernsey's agriculture and horticulture series of 1970 (face value 15p) now rates £16 mint and £10 used, while Jersey's Battle of Flowers series of the same year (face value 20p) rates £30 mint and £10 used. These are by no means isolated examples. Some of the souvenir covers, stationery and stamp booklets have turned out to be even more lucrative properties. Postage due labels, which tend to be neglected at the time of their issue, have produced some surprises. Guernsey's first set (face value 2s 9d—14p) now rates over £38 either mint or used, while Jersey's series (face value 9s—45p) stands at £80 mint and £57 used.

Those who collected Channel Islands material from the inception of the independent postal services can congratulate themselves on having made an excellent investment. Those who are contemplating taking up this interesting field, however, should lose no time in getting started since these stamps will never be any cheaper. Undoubtedly the appearance of a new catalogue in the Gibbons Specialised series will stimulate further interest in this area. The *Channel Islands Stamps and Postal History Catalogue* (£6.00) is an entirely new departure for Stanley Gibbons in that it contains a detailed survey of postal history as well as adhesive postage stamps.

This takes the story back much farther than October 1969.

STAMPS

JAMES MACKAY

The Channel Islands were comparatively late in getting a regular postal service, and it was not until 1794, following the outbreak of war with France, that a regular packet service from Weymouth was introduced and postmasters appointed in Guernsey and Jersey. A few letters are known prior to 1794, carried by semi-official packets operating from Southampton or Dover, and these are much sought after. Even without Channel Islands postal markings these letters rate at least £100 apiece.

The earliest postmarks used in both islands were undated name stamps, those used in Guernsey being generally scarcer. Dated stamps came into use in the 1830s and distinctive obliterators, such as the celebrated Alderney Cross, were employed after the advent of adhesive stamps in 1840. The undated stamps are generally in the price range £150-£300 while the pre-adhesive datestamps rate about £10-£25 on entire letters. In addition both islands had Ship Letter marks. Even the commonest types rate three figures, while the major rarities range up to £4,000.

The later 19th and 20th century postmarks have long been popular with collectors. Those from the head offices are reasonably plentiful, but the marks used at the sub-offices are elusive. The tiny 'thimble' postmarks of the rural offices are to be found on Edwardian postcards, and rate from £2 to £10 on average. The least significant offices, however, used large rubber datestamps and these are very scarce. Several of these stamps, which are known to have been issued, have not yet been recorded in actual use.

Following the German occupation of the Channel Islands in May 1940 certain British stamps were cut in two as stocks of the more popular denominations ran out. These bisects on covers or cards, bearing postmarks of the correct period, now rate a handsome premium. Later on both Guernsey and Jersey had their own distinctive stamps. The Jersey stamps, designed by Major N. V. L. Rybot, had tiny As in each corner, the significance of which was revealed by the gallant major following the Liberation: they were abbreviations for the Latin Ad Avernum Adolphe Atrox — Go to hell, atrocious Adolf.

The catalogue deals exhaustively with the censorship markings, Red Cross mail, military fieldposts and even the concentration camp mail to and from Alderney. Other chapters list airmail first flights, hovermail, aerial propaganda leaflets, cachets, slogans and special markings, boîte mobile and paquebot markings, parcel post and charge and explanatory markings. The specialised section dealing with the stamps includes the issues of the Liberation period, the regional stamps of 1958-69 and the parcel stamps used by the shipping, bus and railway companies.

The revival of wood

A BOAT-BUILDING material is coming into common use which is warm to the touch, has a textured surface, is easy to drill and machine, can last for half a century if looked after properly, and is cheaper for many forms of construction than the glass reinforced plastics materials (grp) which are at present employed for nine out of ten yachts. The wonder material is called wood.

Yacht-builders are in a mood to experiment. They are uncomfortably aware that their products are becoming highly priced for what is, after all, an item not absolutely necessary to the life-style of the family.

The price of resin, the main constituent of grp, is soaring as the higher oil prices work their way through to put up the costs of oil-based chemicals. Three manufacturers of production line boats in glass fibre tell me they are having to raise their prices by an average 10 per cent in the autumn. All expect to have to apply further rises of 10 per cent to 15 per cent by the time of the next Earls Court Boat Show in January, 1979.

Wood is becoming a more attractive alternative to grp with each oil price hike. Westerly Marine Construction at Waterlooville, Hampshire, whose range of family cruisers has made such an impact upon world markets, has switched from grp interior modules to wood joinery to fit out some of its boats. So far Westerly's experience is that customers prefer the richness of teak and mahogany work throughout the boat. And it is proving cheaper to provide in spite of the extra man hours involved.

Wood is also making a comeback in the exotic world of one-off racing yacht designs. A number of new boats built for this season's Admirals Cup and other major events are using moulded wood hull construction. Some designers are trying to marry the craftsmanship and appeal of fine woodworking with up-to-the-minute technology by impregnating lightly-built [illegible] epo[illegible] tem. [illegible] technique, [illegible] said [illegible] added strength and durability while preventing the [illegible] hull from becoming heavier [illegible] ing its life by water absorption (anathema to racing men).

The third interesting fact that emerges about the re-adoption of wood by the yachting world is that the men who actually build the boats enjoy working with it. The "over-40s" among the boat-builders learned their trade when the basis of every yacht was a sound clinker-built or carvel hull in carefully selected timber.

BOATING

ROY HODSON

Those craftsmen are now welcoming the chance to sharpen up their skills and pass them on to the younger workers who have spent the greater part of their working lives brushing-on or spraying resin upon sheets of glass fibre laid up in moulds.

Rank Marine International on the Hamble has a 55,000 sq ft modern yacht building and repair complex employing about 100 men. Air-conditioning and temperature control has been built in in order to achieve the controlled conditions needed for glass fibre boat production.

But the job exciting the most interest there at the moment provides a spectacle which in essentials cannot differ markedly from the building of Noah's Ark. A big programme is going on to restore a wooden boat for an American owner. The principal tools in use are the traditional adze and the draw knife.

After taking on the contract Rank Marine has some problems assembling the equipment. Draw-knives were found, but the adze presented some difficulties. Finally one was discovered in a corner of the yard in a sorry state. It had been used for many years for digging ditches and similar menial tasks. Now, clean and sharp, it is in daily use to rough hew the timbers. The vessel being so painstakingly restored is a Thornycroft 70 ft Pilot Cutter bought from Trinity House by Mr. Ted Jameson, an American millionaire and a collector of old boats and cars. The yard is discovering how much of the timber has to be replaced as the work proceeds. Mr. James is obligingly paying on a monthly basis. Mr Tom Nighy, the building director, says it would have been impossible to have quoted a price at the beginning of the job for a complete restoration to the original standards of timber and joinery finish. The scent of teak in this building shed, and the soft, *rhythmic fall of the adze*, is a pleasant contrast to the tang of styrene and the laboratory atmosphere in the grp moulding sheds. There's a lot to be said for wood.

BRIDGE

E. P. C. COTTER

I SEEM to have had more than my share of trump coups, both simple and grand, and for this reason I am particularly interested in any examples of this play which I come across. Today's example, a truly remarkable hand, occurred in a rubber of high standard:

N.
♠ A J
♥ 7 6
♦ A K 8 6 5
♣ Q J 9 2

W.
♠ K 9 7 6 5 4
♥ —
♦ J 4 2
♣ 10 8 5 3

E.
♠ 10 8 2
♥ Q J 9 3
♦ Q 10 7 3
♣ 7 4

S.
♠ Q 3
♥ A K 10 8 5 4 2
♦ 9
♣ A K 6

Both sides were vulnerable when North dealt and bid one diamond, to which South replied with a forcing take-out of two hearts. North had intended to rebid two clubs over a response of one spade or one heart, but over two hearts he decided to say two no trumps. South now said three hearts and North raised to four hearts. At this point South introduced a Blackwood four no trumps, and learning that his partner had two Aces, he bid six hearts, and all passed.

Thinking that a spade lead might be dangerous, West chose to start with the three of clubs. When dummy went down, the declarer nodded approvingly. With a 3-1 break in trumps six hearts was a lay down, and if the trumps were 2-2, 13 tricks would roll in.

Instead of indulging in pipe-dreams, South should have asked himself whether there was any danger, and if there was, whether anything could be done about it. The one possible danger was a 4-0 trump break. If West had all four trumps, there was nothing to be done, but if East had them, there was a safety play available.

The correct line of play is to win the first trick in dummy, lead a heart and if East follows with the three, to play low from hand. If West can take the trick, the outstanding trumps can be picked up by the Ace and King.

South, however, did not adopt this line—otherwise there would have been no story—but won the club lead with his King and cashed the King of hearts. When West failed to follow suit, the declarer, who was an excellent player, regretted his carelessness and set about retrieving the position if that were possible. He led his singleton diamond to the King on the table and ruffed a diamond in hand.

Then he crossed to the club Queen and ruffed another diamond. He required two more entries to dummy but there was only one, the spade Ace. One had to be created. He led the spade three, finessed dummy's Knave successfully, and ruffed a third diamond. The spade Ace was now cashed, to leave this position:

N.
♠ —
♥ 7
♦ A
♣ J 9

W.
♠ K 9 7
♥ —
♦ —
♣ 10

E.
♠ 10
♥ Q J 9
♦ —
♣ —

S.
♠ —
♥ A 10 8
♦ —
♣ A

When the diamond Ace was led, East found the best defence by ruffing with the Knave of trumps—if he discards, the declarer has no problem. Now it was South's turn to get his sums right—he underruffed with the eight of hearts, an essential play. East returned the ten of spades, on which declarer threw his club Ace, and dummy ruffed. Now a club from the table caught East in the trump coup and the declarer made the last two tricks.

South recovered brilliantly from his early error but West did not get a chance to recover from his. He should, of course, have played his spade King on South's three.

CHESS

LEONARD BARDEN

THE GROWING popularity of chess on Britain's offshore islands received further encouragement last month when the annual Jersey congress, now sponsored by Lloyds Bank, showed a sizeable entry increase over 1978.

The tournament, an international open with competitors from eleven countries, was lengthened from seven rounds to nine this year to enable games to qualify for FIDE (World Chess Federation) rating.

The £350 first prize at Jersey went to the former Australian open champion Max Fuller, who because of the scarcity of international play in his own country travels the world in search of tournaments. He has already won Jersey and Guernsey in previous years and has a sure and accomplished touch in outplaying weaker opponents.

White: M. L. Fuller (Australia). Black: R. J. Gamble (Derby). Opening: French Defence (Jersey 1979).

1 P-K4, P-K3; 2 N-KB3, P-Q4; 3 N-B3 (this "Two Knights Attack" avoids the main lines of the Winawer with . . . B-QN5 and is popular with players who want to get Black out of the books). PxP; 4 NxP, N-KB3; 5 NxN ch, QxN; 6 P-Q4 (now back to theory, but in a variation known to be favourable for White), P-KR3; 7 B-Q3, B-Q3; 8 Q-K2 (8 0-0 gives a small and safe advantage, but Fuller likes tactical play), N-B3; 9 B-Q2 (White's idea, and now also positionally forced, for 9 P-QB3, P-K4 solves Black's problems), NxP; 10 NxN, QxN; 11 0-0-0, B-B5; 12 K-N1, BxB; 13 RxB, Q-B3; 14 Q-K4, P-KN3; 15 P-KR4 (heralding the attack to come if Black castles KR, so his king heads in the other direction . . .), P-B3; 16 P-R5, P-KN4; 17 P-KN3, B-Q2; 18 KR-Q1, 0-0-0; 19 B-R6! (. . . where the danger is just as great. If now 19 . . . PxB; 20 RxB, RxR; 21 QxP ch, R-B2; 22 Q-R8 mate), Q-K2; 20 Q-Q4, P-K4 (if K-N1; 21 Q-K5 ch, K-B1; 22 RxB!); 21 QxRP, PxB; 22 QxP ch, K-B2; 23 Q-R7 ch, K-B1; 24 R-Q3, P-QB4; 25 R-Q6 (avoiding the trap 25 R-QN3? B-N4!), Resigns. The threat of R-QN6 and Q or R-N8 mate is decisive.

Following Jersey, two more offshore congresses are announced for the autumn. Guernsey's annual festival October 14-20, co-sponsored by Hambros, has prizes totalling over £1,000 with special awards for veterans and ladies, daily excursions, and a problem competition.

A new event is the first Isle of Man congress (September 7-10) sponsored by Ronaldsway Aircraft, held at their clubhouse, offering a £500 first prize, and featuring separate events for weaker players.

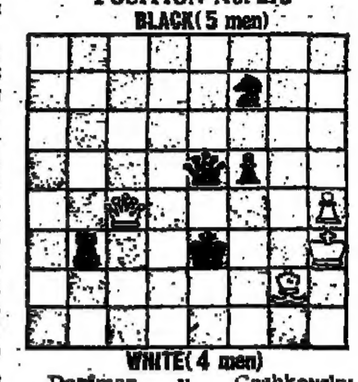
Both the Jersey and Guernsey congresses have built up an excellent reputation for hospitality to chess visitors and are highly recommended for an off-season holiday. Though both events are international opens, competitors down to novice standard are welcome and the hospitality even extends to a good sprinkling of inexperienced local entrants to provide points and half-points.

Details of this autumn's congresses are available from The Secretary, Chess Festival, PO Box 23, St. Peter Port (0481-54188 evenings) for Guernsey, and from the Isle of Man Information Centre, 15, Albemarle Street, London, W1 (01-492 1143).

Some moves were inadvertently omitted from last week's game. Moves 21-22 should read 21 R-B3, P-B3; 22 N-R4, Q-B2. At the end of the game, Black overstepped the time limit.

POSITION No. 273

BLACK (5 men)

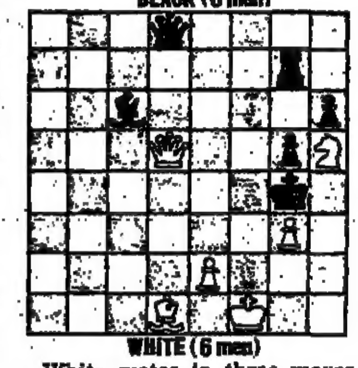


WHITE (4 men)

Dorfman v. Ceshkovsky, USSR championship 1978. Black (to move) needed to win this position to share the title with Tal. He is a rook up, but both rook and knight are attacked and R-N2 fails to BxR. What should Black play, and how should the game continue?

PROBLEM No. 273

BLACK (6 men)



WHITE (6 men)

White mates in three moves at latest, against any defence (by B. Hirst, Dunstable, first publication).

Solutions Page 14

HOW TO SPEND IT by Lucia van der Post

Summer food and summer living

EN faced with a dreary spring and mer, like the one we've been experi- ng until now, I try to look on the ht side and remember the words of African chief who when asked what impressed him most about England "The ease with which it rains." ease with which it rains is indeed essive and those who have ever lived rought-prone areas rightly see it as a miracle. Alas, my sense of gratitude and wonder at the matter begins to get very strained round this time of year and I wait hopefully to be astounded by the ease with which the sun shines.

Nobody tries harder than the British shopkeeper to pretend that a heatwave is just round the corner—the shops are full of ravishing summer clothes and enticing ideas for outdoor living, so that anybody longing to make the most of the fleeting lovely days will find no shortage of suggestions. A few of the best of the summer ideas are featured on this page. Other sources of good picnic equipment are those branches of Boots with household equipment sections, and Woolworths. Habitat have a spring and summer supplement which is available free at all their branches and which is full of enchanting aids to summer living.

Basil, king of herbs

BY JULIE HAMILTON

NITE ARE the culinary of basil, the king of herbs, h came from India, spread ie Mediterranean countries spawned legends. Its cinal uses include clearing nead and, if grown in a pot ors, freeing the room of

you are growing your own , you should by now be ng and using it almost . If you grow too much, are several ways of rving it, the commonest to dry it. Pick bunches rigs and hang them upside in an airy place; when completely dry, crush the leaves (I do it in an electric food chopper) and store in airtight jars. You can freeze basil in airtight bags or boxes or you can put the freshly picked sprigs in a jar, cover with olive oil and store.

If you want your basil plants to last a long time, do not let them flower and frequently pick off the growing tips. Spray the leaves with water from time to time and, when you water the roots, keep them well fed with Baby Bio. If you become addicted, as I have, to the heavenly scent of basil, you could sow some more seeds now and raise the plants to stand in pots on your sunniest window sill. They will keep you supplied into 1980.

Place a plant on the table with the cheeseboard and invite your guests to pluck leaves with their cheese; add a sprig (with butter and seasoning) to your cooked and drained French beans, cover and keep hot while the basil scent seeps into the beans; try the same method with other vegetables.

Transform sandwiches by including a few whole leaves; add a spoonful of finely chopped leaves to a cheese soufflé; decorate your butter or paté with leaves; use lashings cut up in a green salad and remember that a tomato salad is not complete without basil.

The following recipes are all for starters with a special summer flavour. They are exceptionally quick and easy if you are lucky enough to have an electric food processor like the Magimix, but of course they can be made by conventional methods.

asil and chive soup - serves 4

uch fresh basil (not less 1 oz); 1 bunch fresh es (not less than 1 oz); oz butter; 2 oz bacon; 4 espoons white wine; 1 espoon flour; 6 oz toes; ½ pint milk; 1 pint ken stock; 1 heaped tea- n parmesan; juice of 1 on; 4 teaspoons cream.

op the chives and basil finely; put aside one third ch for later use. Melt the r. Add the bacon, finely ped, and brown it lightly. the chives and basil. Sweat for a minute or two, add our, stir over a gentle heat slowly add the wine, the stock and the juice of only half the lemon. Bring to boil; add the peeled and finely chopped potatoes.

Season with salt and freshly ground black pepper. Cover and simmer until the potatoes are soft, remove from heat. Strain the liquid into a bowl and put the bacon, potatoes and herbs through a very fine sieve (or a food processor), adding the one third of each herb that you put aside and the parmesan.

Combine with the liquid in the bowl; chill. Stir in the other ½ lemon juice when well chilled. Serve decorated with a teaspoon of cream and a finely chopped chive.

ushroom stalk and basil soup serves 4

rigs fresh basil plus not than 12 leaves; 1 clove c; 3 oz butter; 1 level ertspoon flour; ½ tea- n finely grated lemon ; scant ½ pint milk; scant nt chicken stock; 1 glass e wine; salt and freshly nd black pepper; pinch aster sugar; 4 teaspoons n for garnish.

p up the mushroom stalks, leaves (keeping the sprigs ter) and garlic very finely. the butter in a thick- ned saucepan and gently the stalks, basil and garlic bout 10 minutes, stirring frequently.

Add the lemon rind, sugar, salt and pepper; sprinkle in the flour, stir and cook for a further 5 minutes. Slowly add the liquids, stir, cover and simmer for 30 minutes or so. Remove from heat and liquidise or sieve until smooth. Return to the saucepan and while still hot but off cooker, put the three sprigs of basil in the soup. Cover and leave to stand for one hour. Chill. To serve, remove the sprigs of basil, stir well and put into each portion a teaspoon of cream and a pinch of finely chopped fresh basil.

Courgette mousse - serves 4-6

6 or 8 sprigs fresh basil; 6 good-sized courgettes; 3 large cloves garlic; 2 tablespoons white wine vinegar and/or lemon juice; 2½ tablespoons best olive oil; ½ oz gelatine; 2 eggs; 4 or 5 tablespoons double cream; salt and freshly ground black pepper; 1 teaspoon parmesan cheese (optional); 3 or 4 leaves mint (optional).

Boil the courgettes whole for approximately eight minutes. Drain off the water and, while still warm, place the courgettes, the herbs, garlic, salt, freshly-ground black pepper and parmesan (if wanted) in an electric food processor or blender.

Add the white wine vinegar and/or lemon juice. When a thick purée has been produced, slowly add the olive oil as you would for mayonnaise. Turn out into a mixing bowl.

Separate the eggs, lightly beat the yolks, add the dissolved gelatine and stir into the courgette purée. Lightly whip the cream in a large bowl and stir the courgette purée into the cream.

Lastly, whip the egg whites in a large bowl until stiff and fold the courgette mixture into them by slowly pouring it over the stiffened whites, folding in with a metal spoon. Turn into a soufflé dish or mould and chill for at least four hours. Decorate with fresh basil leaves just before serving.

Greek olive and basil dip serves 4

For the lover of black olives this little dish is a delicious addition to an hors d'oeuvre or a Greek meze, or on fingers of toast as an appetiser.

2 oz large, stoned Greek black olives; 1 large hard-boiled egg; 3½ tablespoons olive oil; 1½ tablespoons lemon juice; 8 growing tips of 4 leaves each (or 32 leaves) fresh basil; 2 oz onions.

Chop the onions and fry in ½ tablespoon olive oil until soft and transparent. Finely mince the olives, and finely chop the basil. Discarding ½ of the egg white, combine all together with ½ of the white and the hard-boiled yoke and the onions when they are cool. This is most easily done in an electric food processor or blender; otherwise you will need to put it through a very fine food mill. Blend in the olive oil and lemon juice.

Keep chilled until needed, but it should be served at room temperature.

This recipe makes enough to fill two ramekins.

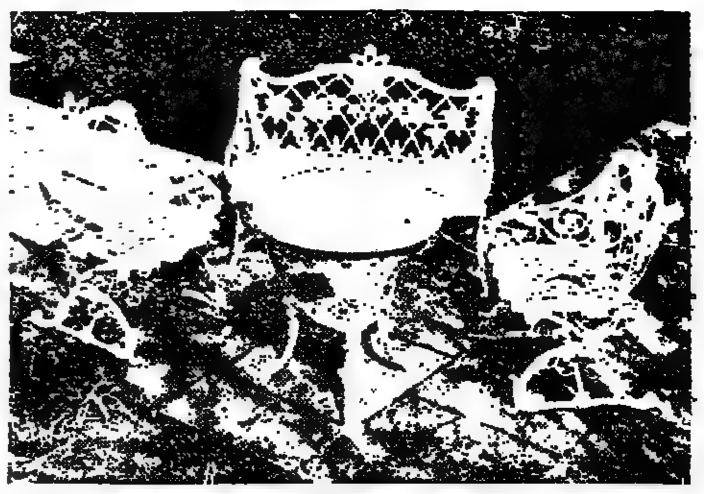
SUCCESSFUL garden furniture, it seems to me, comes in one of three categories—it can be weatherproof and can thus be left out all the year round; or it should be possible to keep it out for most of the summer and then pack it flat for the winter months: or else it should be very light and totally portable.

Here's a small selection of garden furniture, one from each category.

Firstly, photographed top right, is some very fine individually cast furniture made to Victorian designs in the original Victorian manner. The pieces are cast in sand, and though once they were made from iron they are now made in aluminium, which makes the furniture both lighter and more weather-resistant. They can be left out all the year round. In the picture is the Bramble settle (£101). Bramble seats (£71 each) and a Viking table (£68.50). The furniture is made by Albion Design, who are castwork specialists, and some examples can be seen at their London showrooms at The Studio, Ellington Street, London N7, (tel. 01-607 4223). In August they move to 12, Flitcroft Street, London WC2 where the full range will be on view. Furniture prices quoted are exclusive of VAT and carriage. There's also a leaflet for out of town readers —write to above address enclosing a s.a.e.

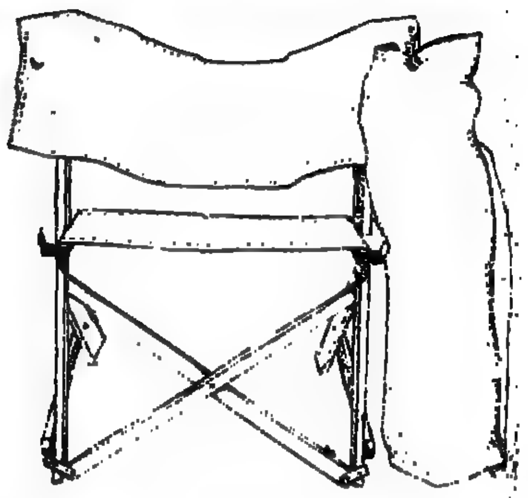
The next piece of furniture (photographed near right) is a collapsible three-legged wooden table by Pearl Dot. The table is made in two sizes (36 ins diameter, 25 ins high and 42 ins diameter, 28 ins high) and in two woods—Teak and Iroko. The wood is well-seasoned and oiled and the table can safely endure some outdoor life and bad weather. The table is dismantled by undoing one wing-nut. The smaller version costs £72.50 in Iroko and £102.50 in teak (teak is becoming very expensive), while the larger size is £82.50 in Iroko and £112.50 in teak. Pearl Dot, whose workshops are at 2, Roman Way, London N7 can organise carriage.

Finally, bottom right, a light, totally portable chair. It's made of dark green canvas and has folding wooden legs—the bag it comes in and is stored in, becomes its back when it's assembled. £4.95 from Habitat stores.



Weatherproof

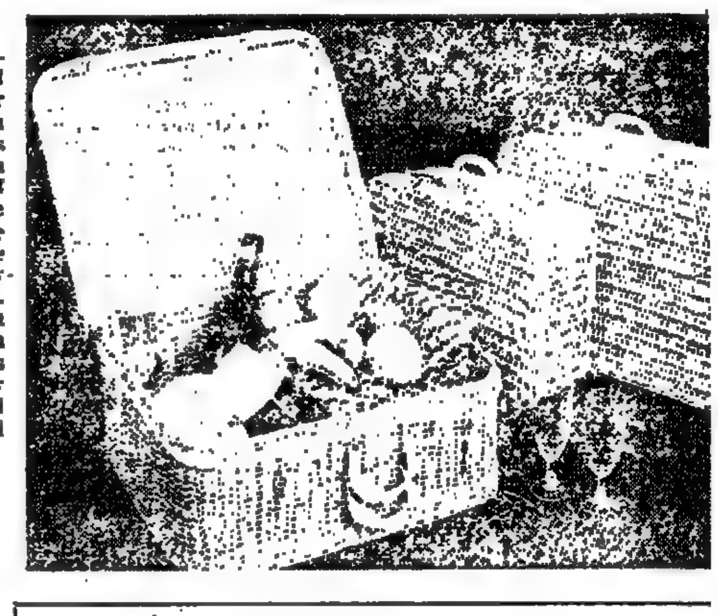
Fold-away



Pack and carry

Hampers for all

Wicker hampers come in all sizes and at all prices. You can pay as little as £2.92 for a 14½ in hamper from Habitat or as much as £400 for a wicker basket from Asprey's, all kitted out with plates, glasses, cutlery and with room for wine, tablecloths, napkins and no doubt the caviar as well. Most of us will probably settle for something a little in between. Wicker baskets make much the nicest of all picnic hampers, in my opinion, but they are nothing like as practical as those rather unattractive plastic suitcases, so skilfully fitted with plates, knives and thermoses. If, however, like me, you're prepared to sacrifice practicality for aesthetics (and, after all, much of the pleasure in a picnic is more emotional than real) then Woolworths have a selection of smallish hampers which are very reasonably-priced (see them photographed right). The smallest one is 14 in wide by 11 in long by 7½ in deep (£3.19). The next one in size is 16 in wide by 13 in long by 7½ in deep (£4.29) and the largest is 18 in wide by 15 in long by 7½ in deep (£5.35). They all have two carrying handles and toggle-type fastenings.



Have a ball

This picnic ball is an amazing piece of Italian ingenuity. It stands about 9 in high, is spherical and has its own handle for easy carrying. When you take off the lid, however, you come upon a complete picnic set for six, all of which fits snugly within its neat sphere. As you can see from the drawing it houses six beakers, two jars (for salad dressing, milk or whatever), a tray, six large, and six small plates as well as six soup plates. The bowl itself can be used for tossing the salad. It's a very neat piece of design but all this ingenuity doesn't come cheap—it sells for £41.50 and is available in bright red or white plastic from the General Trading Company, 144 Sloane Street, London SW1 (p+p £1.83).

Drawing by Frank Wheeler

Treat yourself to . . .

A Merrie Evening

A PLEASANT way to spend a summer evening without taking account of the vagaries of the weather is to listen to a choral concert at the Tower of London.

The choir of the church of St. Peter-ad-Vincula (built in 1307 and restored in 1512) will sing works by British composers from the 16th to 18th centuries—these will include Tye, Tallis, Byrd, Purcell, Gibbons and Boyce. The acoustics are superb and the choir, though comparatively small in number, makes a glorious noise which fills the church.

After the concert, a buffet supper with wine is provided in the White Tower where the fine collection of arms and armoury can be inspected.

The evening ends with the ceremony of the keys and visitors are invited to watch the ceremony from Traitor's Gate.

Concerts will be held on June 26, July 10 and 24 and September 11 and 27. Tickets cost £10 (including buffet) and are available from the London Tourist Board, 26 Grosvenor Gardens, London SW1W ODU by mail or to personal callers between 9.15 and 5.30 on weekdays.

Christine Burton

Dinner in Hall

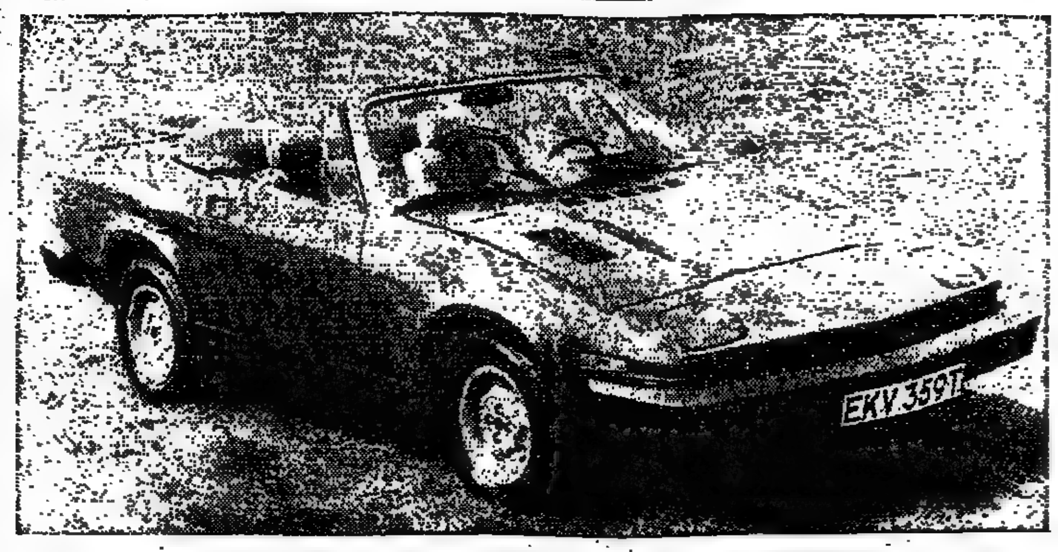
WITH summer struggling to make an appearance between moments of sunlight and torrents of rain, not to mention chilly winds, the spirit faltered and was in need of solace. I found a delightful escape from the tedium of waiting for summer to come in a visit to Robert Carrier's restaurant at Hintlesham Hall, Suffolk. Now that summer has finally made an appearance a visit might be even more delightful. Dining in the exquisitely restored manor is a treat in itself, but combined with Robert Carrier's excellent food and wine the experience is indeed uplifting. The average cost of lunch (three courses) is £12.50; for dinner it is about £15 per head and worth every penny. Hintlesham Hall is 70 miles from London on the Hadleigh-Ipswich road. Telephone Hintlesham 268 for reservations. It is open every day except New Year's day.

Libby Goold

Postscript

READERS who are planning to rush along to Buyers and Sellers today to buy one of the Candy dishwashing machines that will be on sale should get there as early as possible. Readers have been ringing Cynthia Coyne all week asking her to reserve a machine for them but as she rightly points out "If I did that there would be nothing left for the people coming on the morning." So it will have to be first come, first served at either of the two branches — 120/122 Ladbroke Grove, London W10 and 72 Uxbridge Road, London W12. If you remember, Buyers and Sellers will be offering for today only a Candy 290 dishwasher at £140.95, which is the manufacturer's price to them. Unfortunately, Mrs. Coyne can no longer offer to deliver for £2 but she will organise the delivery by putting the machine into a mini-cab which the customer will pay at the other end.

MOTORING



In weather like this week's heatwave, the topless car is tops. One that would be snatched out of the showrooms if only it were available here is the Triumph TR7 convertible. At present, it is exclusively for the U.S. market. It will not be made with right-hand drive until American demand has been satisfied. This could take some time. Triumph's U.S. dealers literally gave it a standing ovation when it was presented to them earlier this year. All that Jaguar Rover Triumph will say about UK sales prospects is that they hope a few Britons may have open TR7s by next summer.

Brutal but delicate worker

BY STUART MARSHALL

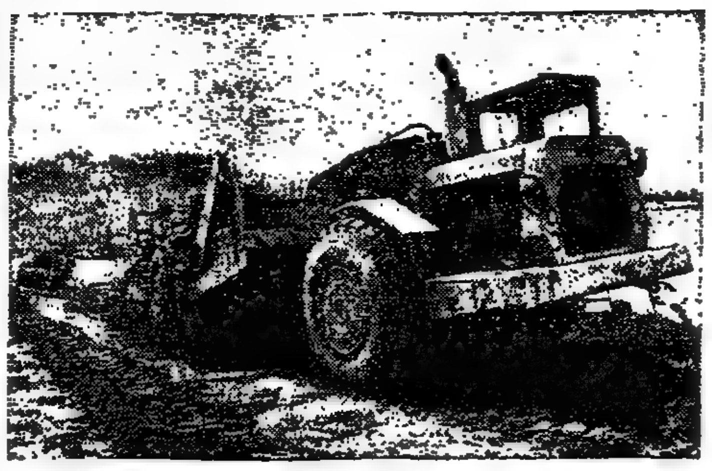
IF YOU have ever wondered what one of those elephantine earthmoving machines is like to drive, I can tell you they are brutal yet delicate, simple though complicated.

There is nothing really difficult about making a massive great thing like the Terex TS-24 Mk. V go. It has twin engines, both V8 diesels of a combined 600 horsepower, one at each end. They drive all four wheels which are shod with £15,000-worth of 7 feet high tyres. The transmission is semi-automatic. You move a tiny lever by your right side, there is a hiss of air and a slight jerk and you are in first. The other five forward gears are just as easy to engage.

There are a couple of pedals to the right of the steering wheel which is so small it is a bit of an anti-climax—I will swear I have seen bigger ones in Mercedes cars. Push the right-hand pedal and the front engine revs up; push the left-hand one and you have synchronised control of both engines.

With a lurch and a roar, the Terex is off, all 45 tons of it, riding over the bumps of a quarry bottom like an inshore fishing boat butting into a choppy sea.

Hydraulic jacks steer it by articulating the cab and control is so light that one hand on the wheel is enough. The right hand is for three mysterious levers beside the driving seat which are what the Terex is all about. They call it a scraper, and that is what it does. It scrapes up the ground like an enormous plane, gulping the dirt into its bowl in 40-ton loads at the rate of a ton or more per second. And this, I found when I tried a Terex by courtesy of Blackwood Hodge (the distributors) and P. J. Conway, the owners, is where the skill comes in.



Maker of motorways, mover of mountains. The Terex TS-24 scraper looks brutal, but needs a delicate hand on the controls.

The front of this trio of levers raises and lowers the bowl and its cutting edge; the middle one raises the apron, which is a door that stops the dirt falling out once it starts pouring into the bowl. And the third works a swinging plate called the ejector, which forces all the dirt out again when you reach your dumping ground. If the dirt flows freely, a Terex can load itself. But, at the Blue Circle Cement site at Northfleet, Kent, where I played with one, help is required. A huge bulldozer puts its blade against the scraper's steel bustle and gives it a helpful shove, just like the tank engines that used to push express trains out of Euston when I was a schoolboy.

If you get the bowl height right, the dirt boils into it steadily under the combined muscle of the Terex and the bulldozer. Get it too deep and the whole outfit comes to a halt; if too shallow, the loading will take too long and the 'dozer will be out of position when the next Terex wants a shove. (There are 24 of them working 12 hours a day at Northfleet.)

So you creep forward in first or second, fiddling with the bowl height and the apron, scraping the dirt up as fast as you can, keeping the apron far enough up to let the dirt flow in freely but not so far that it falls out again. An eye in the back of the head would be useful. You concentrate on what is happening behind and snatch a glimpse to the front when you can, to make sure nothing is in the way. Then it is up into third gear and off to the dumping ground, roaring along at 12 mph with 2,000 revs. on the tachometer.

There is a trick to dumping the load, too. If you push hard with the ejector when the apron is too far down the whole 40-ton load can pack into a solid and immovable wodge, which hardly bears thinking about. Get it just right, and the soil spreads as evenly as butter on bread.

Off to scrape up another load, the Terex will do 35 mph on smooth surfaces. They have to be fairly smooth because the only springing is in the immense tyres. If you are going too fast when you hit a bumpy patch, it is like turbulence in an aircraft. Your head rises to meet the cab ceiling, which is why lap belts are worn by prudent Terex drivers.

And brakes, did I hear? There are air brakes on the wheels, a hydraulic retarder on the transmission for keeping speed down on long descents. But the best way to stop in a hurry is to lower the bowl and release the accelerator pedals. It is the terrestrial equivalent of dropping an anchor—and even more effective.

If you are asking what all this has to do with motoring, I have to say that without machines like the Terex there would be *no motorways or any kind of* modern roads at all. And my excuse is that I always wanted to try one, anyway.

It might be thought that a Terex would be a handy machine to have around your property for levelling the odd meadow or excavating a flight pond for wild duck, but I have bad news. The Terex costs about £150,000 and does rather less than one mile to the gallon. A great little tool, though, nonetheless. . . .

TRAVEL

A quieter side of Greece

SYLVIE NICKELS

RE ARE large chunks of 'tries that happily never to attract the crowds and summer I discovered that y well the whole of iern Greece is one of them. undreds of miles of touring detouring from the rugged itain country round na, near the Albanian and slav frontiers, to the Evros bordering Turkey, we v saw a foreign-registered le.

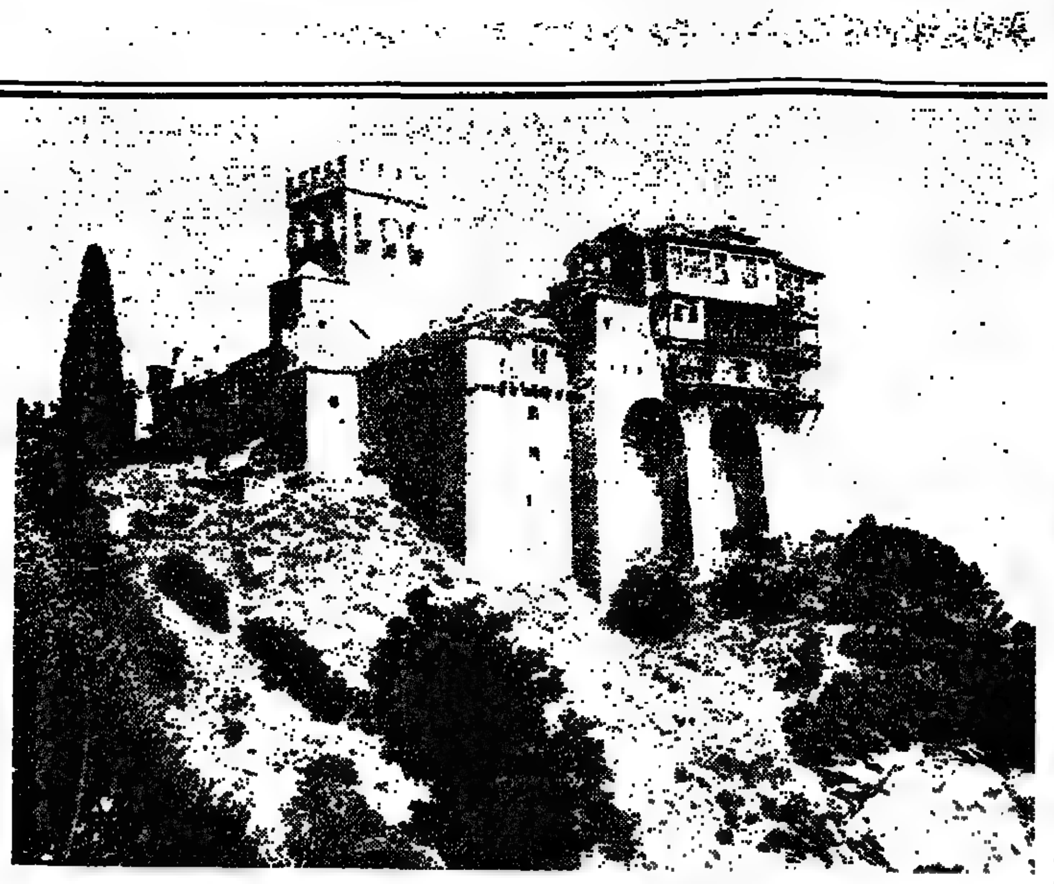
mittedly we did not visit nost likely meeting grounds 'ellow foreigners, such as ew resorts of the Halidiki south of Salonica. But excluding these, this is a y fascinating and very d region for anyone with a ig towards fine scenery, history, an unhurried way e and some long stretches ideveloped beach. Above ch history. After all, this home territory of Philip Macedonia, of Alexander ireat, of Aristotle, and it here that St. Paul first ht the teachings of tianity to the continent of pe.

a seaside holiday the us area is Halidiki, a d knob of land from which great claw-like penin- reach out into the Aegean. d into the rocks of the nmost of these are the nsiderable monasteries of which, providing you are and have the necessary t (from the Ministry of ern Greece in Salonica) undoubtedly be fascinat- The other peninsulas of ia and Cassandra are developing the more pro- attractions of tourist ties which are featured umber of UK tour opera- uch as Olympic Holidays, and Small World. Cost o weeks with half board the £230-£320 range.

more extensive explora- ou really do need a car hire can be arranged by ber of firms, among them Travel Service who have in the fly-and-self-drive ys business for around rs. Their offers include ased on return flight to ca costing £213 per person height of the season, also entitles you to 9-16 hire of a small car with ited mileage, depending ather you are 2, 3 or 4 adults travelling together. An Apex arrangement for 14 days costs less but bookings must be made and paid for at least one calendar month before departure.

Salonica, Greece's second largest city, has had its fair share of natural disasters, but a great deal of interest survives, not least many of the beautiful Byzantine churches and the great walls built in the 4th century from which you gaze across the sprawl of the city and the sea to distant Mount Olympus on a clear day. The Archaeological Museum is well worth visiting, too, especially if it is still displaying some of the fabulous treasures uncovered during the current excavations at Vergina. These have revealed tombs which are thought to include that of Philip II and are one of the outstanding finds of recent years.

Pella, once capital of Macedonia and birthplace of Alexander the Great, is a ruin with some particularly notable mosaics. We visited them on the way from Salonica, via high-perched Edessa to Florina. This pleasant small market town and its surrounding area is mainly of interest to naturalists and walkers, including as it does the Vernon Mountains and the Greek sections of Little and Great Prespa Lakes.

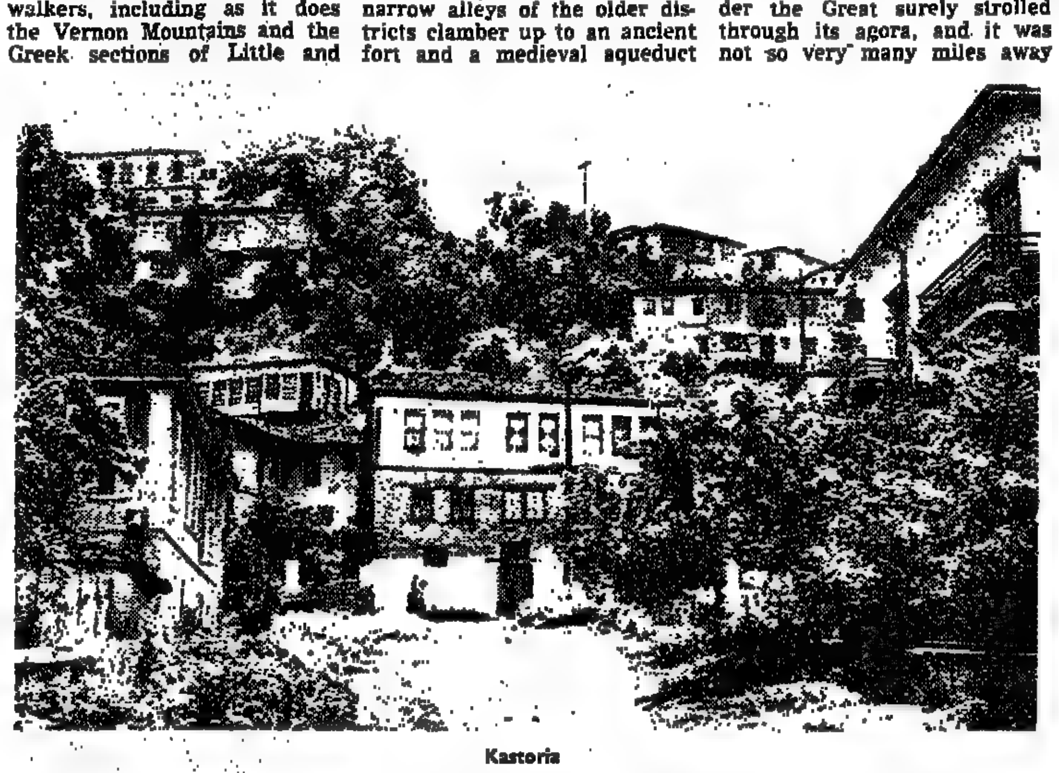


Mount Athos, Monastery of Stavronikita

But the place I found had the greatest personal appeal was Kavala on the north Aegean coast, some 100 miles east of Salonica. It is a lively, picturesque port from which there is a regular boat service across to the island of Thassos and constant traffic nosing in and out beneath a permanent aerial ballet of pallid swifts. The narrow alleys of the older districts clamber up to an ancient fort and a medieval aqueduct soars across the town.

Indeed, Kavala has been here a long time. But if it was here that St. Paul first landed on Macedonian soil, it was at Philippi, about half an hour's drive away, that he preached his first sermon in Europe. Today, Philippi is a very considerable ruin where the imagination can run riot. Philip II developed and renamed it, his son Alexander the Great surely strolled through its agora, and it was not so very many miles away that one of his tutors, Aristotle, was born. And here Brutus and Cassius were defeated by Antony and Octavian. There is much to see from the great amphitheatre and remains of early Christian churches to the games of ancient hopscotch marked out on the paving stones, not to mention Roman-era public loos!

Close to Kavala are some pleasant standy beaches and coves, but as you travel eastwards you enter the wide watery plains of several big river deltas, including the Nestos and, finally, the Evros on the Turkish border for which you need a permit. The latter is principally attractive to bird watchers for whom it is an area that rivals the Danube delta for variety of species. Xanthi is an attractive inland town and Alexandroupolis is the main coastal centre in these parts, of no great interest in itself though it has a number of beachside hotels. Little of these rather flat eastern stretches of coast have yet been developed and there is no problem in finding a beach almost to yourself. Further information: National Tourist Organisation of Greece, 195-197 Regent Street, London W1R 8DL; Olympic Holidays, 24 Queensway, London W2 3RX; Allsun Holidays, 141 New Bond Street, London W1Y 0BD; Small World, 5 Garrick Street, London WC2E 9AZ; Lane's Travel Service, 251 Brompton Road, London SW3 2EY.



Kastoria

ARTS

Figaro wins at Leeds

Perhaps only the English National Opera North would announce *A Village Romeo and Juliet* (due for production next season) as a work by "the celebrated Yorkshire composer, Delius." No harm in a spot of local patriotism, though the irony is that West Yorkshire County Council—with an area embracing the company's home-town of Leeds as well as Delius's home-town of Bradford—is not among the local and national authorities currently providing subsidies.

Retaining Leeds as its base, and presenting opera there for four periods of two or three weeks during the year, the company actually spends more time on tour. Next season it will become the first opera company to occupy the "Big Top" circus tent (already used by the Royal Ballet) at Sheffield, and the list of cities visited will extend to Liverpool and Glasgow. Meanwhile Leeds was chosen for the unveiling last Wednesday of a new production of *La Traviata*, followed by a new production of *The Marriage of Figaro* which had been shown on tour for a few weeks.

"Actually, I hate doing it in Italian here," said John Copley in a preliminary interview about his *Traviata* production. Such disarming frankness, with its obvious reference to the necessity of communication with the audience, raised anew the whole matter of ENON's insistence on occasionally mounting a production in the original foreign language. (*Samson et Dalila* returns next week: *Der fliegende Hollander*, curiously announced as *The Flying Dutchman*, is to be sung in German next season.) Is it merely as a point of being different from the parent company at the Coliseum, where the English-only rule is maintained with remarkable artistic success?

In the specific case of *La Traviata*, justification fell short. Supposedly, the choice of Italian permitted the engagement of Ryland Davies — who, having achieved the international circuit, wanted to sing this role for the first time but was said to be unwilling to learn it in English. But let us not be unduly deferential. Mr. Davies is a neat, accomplished Mozart tenor who has never been much of an actor. Not being able to provide an Alfredo who could thrill by sheer size of voice or boldly projected personality, he would have done better with a commonly shared language to help him. I suppose that his odd demeanour on first meeting Violetta was supposed to convey the embarrassment of Alfredo, but the line between this and the embarrassment of Ryland Davies was hard to draw.

Lois McDonall, singing a very English sort of Italian, overdid Violetta's external emotion in the first act with damage to the vocal line, but later brought the character and the music into better focus. A more cultivated approach, with the vocal range under a poised control, came from Christian du Plessis as the elder Germont — but even he could make more of "Di Provenza" with its parallel Italian phrases mirrored in Verdi's melody. He looked too young, one of several stage lapses (not counting a woeful delay in dropping the curtain after the first act) such as are not generally associated with John Copley's direction. Clive Timms, having shown the orchestra's high standard in the opening prelude, steered the performance with capable concern for both large and small roles.

If this *Traviata* finally left uneasy promptings of what it might have been, Thursday's *Figaro* (in English) decisively fulfilled itself. Helped by Dent's stylish translation an accomplished cast put across an individualised range of comic character which never stooped to caricature, while Mozart's musical line was sensitively and touchingly shaped by the company's musical director, David Lloyd-Jones.

Paul Hudson was a pleasant enough Figaro, though — as a bass rather than baritone — the top E's and F's were uneasily placed in his voice. The main comic and lyrical drive came from the splendid Count — lecherous to the point of obsession — of Stuart Harling and the enchanting, ever alert Susanna of Joy Roberts, who now places herself firmly in the line of such adornments of our opera stage as Sheila Armstrong, Norma Burrowes and Elizabeth Gale. The elderly Marcellina, so often a dull character, was anything but that in the performance of Joan Edwards, and Robert Ferguson contributed an unusual but highly diverting Basilio. Marie McLaughlin was a charming Cherubino, Eiddwen Harrhy as the Countess was not quite in her best vocal form.

Once past a baffling and gratuitous stage action during the overture, Patrick Libby's production went nimbly along, with an inter stage (designed by Robin Don), minimal scene changes were carried out in costume and in the audience's view, and the whole four-act opera was presented with only a single interval. It is a "touring" set, contrived for easy operation, but also a true frame for a score which brings so many scenic problems. It—and the cast—will serve the company well.

ARTHUR JACOBS

Lois McDonall and Ryland Davies

A View of Delft by Carel Fabritius

Hodgkin's Eye at National Gallery

The National Gallery has long made a custom to include a distinguished artist among its trustees, and now, in its admirable series of exhibitions, *The Artist's Eye*, has gone on to pay much more than lip service to the idea of the artist's erudition and general usefulness. For three summers now unexpected comparisons and conjunctions, cutting across the schools and through the centuries, have intrigued and stimulated us all, the curatorial staff along with the rest.

Howard Hodgkin, one of our best painters and indeed at present a trustee of the gallery, has made this year's pick of the collection, 11 works from 10 hands, to which he has added a largish and very beautiful Moghul gouache, dating from the 16th century, and two of his own works; which last might seem impudent to some, but which from the start has always been understood as part of the exercise. Mr. Hodgkin has his doubts on this very point, but in fact his paintings look very well in the company.

For the rest his choice is extremely interesting, covering much ground, from an altar panel by the Master of the Bambino Vispo to the Vuillard still-life; and though the paintings contain two executions, a procession, a boar-hunt and a most airy allegory with Venus and Time, there is overall a market stillness and serenity to the work, over which another allegorical figure, that of Grammar by Laurent de la Hire, presides most appropriately, watering her potted plants with splendid deliberation. "A learned and articulate voice spoken in a correct manner" is her message to us, which in these lax times we might do well to take to heart. This is exactly the kind of work which justifies such an exhibition, comparatively modest and obscure and so easily overlooked, but a real treat nonetheless.

The show has other notable features. Mr. Hodgkin had the great and mysterious Velazquez landscape *Philip IV Hunting Boar* removed from its heavy frame and hung rather lower than before, which the picture itself suggests is right, with its high eye level taking us down the forward slope, past the nearer figures, out to the hunting arena and so to the hillside beyond. It is beautifully and freely painted, full of light and space; and we see it here as for the first time.

His other great coup has been to persuade the Gallery to bring together the fragments of Manet's *Execution of Maximilian* into their former relationship, the large central panel of the firing party, the NCO to the right and General Miramon to the left; again an obvious and exciting initiative that we can only wonder was not taken long ago. High overhead, in an ultramarine firmament, sits Venus on her cloud, in Tiepolo's bright and lively ceiling, perfectly displayed and another revelation.

The Artist's Eye continues until August 19, and the series itself, I understand, is by no means concluded.

WILLIAM PACKER

Dire Straits return as heroes

It should come as no surprise that the swing to the right is as much reflected in pop music as in politics: away with anarchy, welcome back melody. The greatest beneficiaries of this trend have been Dire Straits who in two years have moved from a Deptford council estate to superstardom.

But Dire Straits did it the hard way, through self-help and talent. And they did it from the top, conquering the U.S. first and only this week returning to mop up London. The American success now looks inevitabe, for Dire Straits' music is in the laid-back, west coast, melodic rock tradition, pioneered by Fleetwood Mac and the acceptable sound for the first generation of the cosily settled in life who want to keep their rock roots but can't stand the new wave or anything more challenging than the Beatles or the Stones. Dire Straits is easy listening with a dash of bitters.

Not surprisingly the Hammersmith Odeon was heaving at the seams at this week's concerts but if the Thursday night performance was anything to go by the band's reputation has got slightly ahead of its performance. It is always difficult to recreate relaxed, undramatic, undemandingly pretty music on stage, and Dire Straits make a good stab at it without being entirely successful. The lighting is effective but really only Mark Knopfler catches the eye, although drummer Pick Withers attempts some Keith Moon craziness. After an hour the attention wanders: with such a pleasant background you are ready for some action up front.

If Dire Straits lack drama the pretty clusters of notes dropped by Knopfler, the accessible melodies, the constant rhythm, and the intelligent, if sadly mumbled, lyrics lift the group way above the competition.

ANTONY THORNCROFT

L'Après-midi d'un faune

Nijinsky's first choreography, *L'Après-midi d'un faune*, remains one of the most intriguing works in the balletic history of this century. Profoundly novel in its physical attitudes—walking as dance; the body shown two dimensionally, as on a frieze; the flow of movement cutting across the pulse of the music—it was, at its first showing in 1912, attended by all the publicity of supposed obscenity.

Faune's subsequent existence in the theatre has seemed a mixture of pietism about an important ballet deserving to be preserved in performance, the constant desire of dancers to measure up to the Nijinsky legend, and the faint and titillating whiff of something naughty to stimulate the box office. It has usually been presented without the essential setting of Bakst's marvellous cloth of an Attic hill-side; it has been given without the nymphs—at which moment it typified everything that people who hated ballet knew was wrong with a degenerate art.

And now, in this "Nureyev as Nijinsky" week at the Coliseum, it turns up with Festival ballet, complete with a fine realisation of its designs, and Dame Margot Fonteyn as the leading nymph.

The merit of the presentation is in the placing of the dance in its proper setting — the choreography immediately acquires a far greater dramatic resonance — but not even the sun-baked hill-side can warm the dance into any real semblance of life. Nureyev and his nymphs are careful in preserving the marvellous flattened progression of the movement, but the text and bodies look dry, untouched by the shimmer of the music or the luscious muscular tone which can make the hieratic poses seem anything other than dutiful.

Anyone interested in seeing the faun as a living presence on stage should watch Anthony van Laast's performance in Robert Cohan's *Forest* with the London Contemporary Dance Company.

CLEMENT CRISP

TV/Radio

BBC 1

† Indicates programme in black and white

7.40-8.30 am Open University (Ultra high frequency only). 9.00 Camberwick Green. 9.15 Laff-a-Lympics (cartoon). 9.35 Tabitha. 10.00 Play Sport. 10.28 Weatherman.
10.30 Grandstand: World Cup Cricket (10.35, 1.40, 2.05, 2.35, 3.05) The Prudential Cup Final; The Scottish Rally (1.00) The Sedan Products Open Rally Championship; Rugby League (1.25) Australia v Great Britain (first test); Racing from Ascot (1.55, 2.20, 2.50); Lawn Tennis (3.05) Colgate International Women's Tournament; 4.55 Final Score.
5.03 Barney Bear.
5.13 News.
5.25 Sport/Regional News.
5.30 The Hardy Boys and Nancy Drew Mysteries.
6.20 Juke Box Jury.
6.50 Saturday Night at the Movies: "The Pink Jungle" starring James Garner.
8.30 The Paul Daniels Magic Show.
9.05 Sword of Justice.
9.55 News.
10.05 The Voyage of Charles Darwin.
11.05 The Natalie Cole Show.

All Regions as BBC1 except at the following times:

Scotland—11.55 pm News and Weather for Scotland.

Wales—9.00-9.15 am Heads and Tails. 11.55 pm News and Weather for Wales.

Northern Ireland—5.25-5.30 pm Sport/News for Northern Ireland. 11.55 News and Weather for Northern Ireland.

BBC 2

7.40 am-2.45 pm Open University.
2.55 pm Saturday Cinema: "Here Come the Girls," starring Bob Hope.
4.10 World Cup Cricket: Prudential Cup Final.
8.00 News and Sport.
8.15 The Hollywood Greats.
9.05 Sports Special.
11.00 Word for Word.
11.35 News on 2.
†11.40 Midnight Movie: "Under the Clock" starring Judy Garland and Robert Walker.

LONDON

8.35 am Sesame Street. 9.35 The Fantastic Four. 10.00 Superman. 10.30 The Mersey Pirate.
12.30 pm World of Sport: 12.35 International Sports Special (Part One) followed by Australian Pools Check; 1.15 News from ITN; 1.20 The ITV Seven—Racing from Ayr at 1.30, 2.00, 2.30 and 3.00 and from Redcar at 1.45, 2.15 and 2.50; 3.10 International Sports Special (Part Two); 4.00 Wrestling; 4.50 Results Service; 4.55 Boxing from Madison Square Garden, New York.
5.35 News.
5.45 The Masterspy.
6.30 Kidnapped.
7.00 Chopper Squad.
8.00 Celebrity Squares.
8.30 Lovely Couple.
9.00 News.
9.15 "The New Centurions" starring George C. Scott.
11.00 Police 5.
11.10 Stones in the Park.
12.10 am Stars On Ice.
12.40 Close: Personal choice with Leo Aylen.

All IBA regions as London except at the following times:

ANGLIA

8.05 am Invasion Road. 9.35 Buying and Selling a House. 10.00 Clue Club. 7.00 pm The Incredible Hulk. 8.15 Feature Film: "Destiny Of A Spy," starring Lorne Green. 11.00 Celebrity Concert: Roberta Flack. 12.00 Police Surgeon. 12.30 am At The End Of The Day

ATV

8.55 am A Question of Sex. 9.35 Buying And Selling A House. 10.00 Superman. 5.45 pm The Life And Times of Grizzly Adams. 6.45 The Master Spy. 7.30 Kidnapped. 8.15 Lou Grant. 10.15 Saturday Cinema: "The Virgin Soldiers."

BORDER

9.35 am The Lost Islands. 10.00 The Beachcombers. 7.00 pm The Six Million Dollar Man. 8.15 Film: "The Mackintosh Man," starring Paul Newman and James Mason. 11.10 Celebrity Concert starring Charles Aznavour.

CHANNEL

12.18 pm Puffin's Pla(i)ce. 5.40 Lucan. 6.45 The Masterspy. 7.30 Kidnapped. 9.15 Feature Film: "Moments." 11.15 Youth Brass.

GRAMPIAN

9.00 am Cuir Car. 9.30 Sesame Street. 7.00 pm Chips. 11.00 Reflections. 12.00 Police Surgeon.

GRANADA

9.35 am Early Musical Instruments. 10.05 Happy Days. 7.00 pm Chips. 9.15 The Big Film: Susan Hayward in "Where Love Has Gone." 11.00 Top of The Bill. 11.55 Fireside Theatre.

HTV

9.05 am Invasion Road. 9.30 The Beachcombers. 9.55 Mr. Magoo. 10.05 Batman. 5.45 pm Chips. 6.45 The Masterspy. 7.30 Kidnapped. 9.15 "The Killing of Sister George," starring Beryl Reid and Susannah York. 11.45 Canadian Celebrity Concert.

HTV General Service—HTV CYMRU/WALES—As HTV General Service except: 5.45 pm Mork and Mindy. 6.15-6.45 Pwy Fase n Meddwl?

SCOTTISH

9.15 am The Secret Lives of Waldo Kitty. 9.35 Code R. 12.15 pm Police Surgeon. 7.00 Chips. 9.15 Feature Film. 11.15 Late Call. 11.20 Power Without Glory.

SOUTHERN

9.00 am Sesame Street. 10.00 Bailey's Bird. 10.27 Regional Weather forecast. 6.30 pm The Bionic Woman. 7.30 Kidnapped. 9.15 "What's The Matter With Helen?" starring Debbie Reynolds. 11.00 Southern News. 11.05 Fantasy Island. 12.00 Bygones.

TYNE TEES

9.00 am Saturday Shake Up. 9.05 Cartoon Time. 9.15 The Man From Atlantis. 10.15 Saturday Shake Up. 10.25 Saturday Morning Film: "House of Secrets," starring Michael Craig. 12.15 pm Saturday Shake Up. 7.00 Chips. 8.00 Lovely Couple. 8.30 Celebrity Squares. 11.00 Michel Legrand And Friends. 12.00 Out of Town. 12.30 am Epilogue.

ULSTER

10.10 am Catch 79. 10.35 Little House On The Prairie. 11.30 Sesame Street. 7.00 pm The Six Million Dollar Man. 7.55 Sports Results. 9.15 Feature Film: "Bang The Drum Slowly." 11.00 Celebrity Concert (Paul Williams).

WESTWARD

9.25 am Saturday Morning Picture Show: "The Racers," starring Kirk Douglas. 10.55 Look And See. 11.00 Untamed World. 11.25 Gus Honeybun's Birthdays. 11.30 Tarzan. 12.27 pm Westward News. 5.45 Westward News. 5.40 Lucan. 6.45 The Masterspy. 7.30 Kidnapped. 9.15 Feature Film: "Moments." 11.15 Youth Brass. 12.00 Faith For Life. 12.05 am West Country weather, shipping forecast.

YORKSHIRE

9.00 am Cartoon Time. 9.10 Spiderman. 9.30 Space 1999. 7.00 Chips. 8.00 Lovely Couple. 8.30 Celebrity Squares. 9.15 "The Diamond Mercenaries," starring Telly Savalas. 11.00 Celebrity Concert featuring Burt Bacharach. 12.00 The Odd Couple.

RADIO 1

(S) Stereophonic broadcast
‡ Medium wave

5.00 am As Radio 2. 7.03 Playground. 8.00 Ed Stewart. 10.00 Peter Powell. 1.00 pm Adrian Juste (S). 2.00 Paul Gambaccini (S). 4.00 Rock On (S). 5.30 It's Rock 'n' Roll (S). 6.31 In Concert (S). 7.30 Chris Jones. 10.00 Discovatin'. 12.00-6.00 am As Radio 2.

RADIO 2

5.00 am News Summary. 5.02 Paddy O'Byrne (S). 8.05 David Jacobs (S). 10.2 Kevin Morrison (S). 12.02 pm Tim Rice chooses records (S). 1.02 The News Huddlines. 1.30-6.00 Sport on 2: World Cup Cricket (1.30, 2.00, 3.05, 3.40, 5.00, 5.45) Prudential World Cup final; Tennis (1.30, 2.00, 3.05, 3.40, 5.00) Debenhams Surrey Grass Court Championships and the Colgate International; Motor Cycling (1.30, 2.00, 3.05, 3.40, 5.30) Dutch Grand Prix; Racing from Ascot (1.30, 2.55, 3.30), plus results from other meetings and classified check 5.45; news in Athletics, Golf, Rugby League. 6.03 European Pop Jury. 7.02 Three in a Row. 7.30 Sports Desk. 7.32 BBC International Festival of Light Music Concert, part 1: "Dance Band Days" (S). 8.30 Steve Race reflects. 8.50 Concert, part 2: "Big Band Sounds." 10.02 Saturday Night with the BBC Radio Orchestra (S). 11.02 Sports Desk. 11.06 Ray Moore with the Late Show (S), including 12.00 News. 2.02-6.00 am You and the Night and the Music with Bill Rennells (S).

RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S) (continued on vhf only from 10.35 am). 10.35 World Cup Cricket: The Prudential Cup Final including 1.00-1.40 pm Lunch Interval. 1.30 News Summary. 1.35 County Cricket scores. 8.00 LSO 75th Birthday Concert, part 1: Panufnik, Brahms (S). 9.05 The Natural Selection? 9.25 LSO Concert, part 2: Rachmaninov. 10.30 The Gallows Songs (S). 10.45 C P E Bach (S). 11.05 Sounds Interesting (S). 11.55-12.00 News.

VHF with Medium Wave above except 6.00-8.00 and 10.35 am-8.00 pm as follows: 6.00-8.00 Open University. 10.35 Stereo Release (S) (continued from mf). 11.45 Robin Ray presents popular classics on records (S). 1.00 pm News. 1.05 Mendelssohn, piano recital (S). 2.05 Man of Action (S). 3.20 Netherlands Radio Philharmonic Orchestra, part 1 (S). 4.05 In Short (talk). 4.15 Netherlands PPO, part 2 (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 Schubert (S). 7.00 Collectors' Corner. 7.30 Frans Brueggen, recorder recital (S).

RADIO 4

6.25 am Shipping forecast. 6.30 News. 6.32 Farming Today. 6.50 Yours Faithfully. 6.55 Weather, programme news. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Yours Faithfully. 7.50 It's A Bargain. 7.55 Weather, programme news. 8.00 News. 8.10 Sport on 4. 8.45 Yesterday in Parliament. 8.55 Continental Travel information. 9.00 News. 9.05 International Assignment. 9.30 The Week in Westminster. 9.55 News Stand. 10.15 Daily Service. 10.30 Pick of the Week (S). 11.20 Time For Verse. 11.30 Wildlife answers listeners' questions. 11.55 Sounding Off with Sir Adrian Cadbury. 12.00 News. 12.02 Away From it All. 12.27 I'm Sorry I Haven't A Clue (S). 12.55 Weather, programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping forecast. 2.00 Bookshelf. 2.30 Saturday Afternoon Theatre. 3.30 Does He Take Sugar? 4.00 Animal Magnetism. 4.45 Down The Garden Path. 5.00 Kaleidoscope Encore. 5.25 Week Ending. 5.50 Shipping forecast. 5.55 Weather, programme news. 6.00 News. 6.15 Desert Island Discs with Ed McBain, writer. 6.50 Stop The Week with Robert Robinson. 7.30 Baker's Dozen (S). 8.30 Saturday Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 Dear Me. 11.45 Just Before Midnight. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 7.32 Good Fishing. 8.00 News, weather, traffic, shopping, sports news. 8.15 The London Gardener. 8.30 Saturday Scene. 11.30 The Robbie Vincent Show. 2.00 pm Bob Powel with London Country. 4.30 Marjorie Bilbow with Close Up. 5.0-6.00 am Join Radio 2.

London Broadcasting

5.00 am Morning Music. 7.00 A.M. with Dickie Arbiter. 10.00 Jellybone. 1.00 pm Sportswatch. 6.00 The London Interview. 7.00 Geet Mala: programme for London's Asian Community. 8.00 Monty at Large. 9.00 London Rules. 9.30 City Week. 10.00 Nightline. 1.00-5.00 am Night Extra.

Capital Radio

6.00 am Kerry Juby's Breakfast Show (S). 9.00 Capital Countdown with Mike Smith (S). 12.00 Kenny Everett (S). 3.00 pm Duncan Johnson's Afternoon Delight (S). 6.00 Greg Edward's Soul Spectrum (S). 9.00 Nicky Horne's Six of the Best. 12.00 Mike Allen's Midnight Special (S). 4.00 am The Collection (Classical Music) (S).

TV RATINGS (w/e June 17)

U.K. TOP TWENTY (viewers m.)

1 Midweek Sports Special (ITV)	15.40
2 Coronation St (Wed.) (Gran)	15.10
3 Crossroads (Thur) (ATV)	13.35
4 Coronation St (Mon) (Gran)	13.25
5 Crossroads (Tues) (ATV)	13.00
6 Crossroads (Wed) (ATV)	12.90
7 In Loving Memory (Yorks)	12.40
8 That's Life (BBC)	12.20
9 Crossroads (Mon) (ATV)	11.90
10 Emmerdale Farm (Thur) (Yorks)	11.80
11 Paul Daniels (BBC)	11.75
12 Rosie (BBC)	11.50
13 The Black Abbotts (Yorks)	11.40
13 Hazell (Thames)	11.40
15 Winner Takes All (Yorks)	11.35
16 Kids (LWT)	11.15
17 Top of the Pops (BBC)	10.80
18 The Krypton Factor (Gran)	10.75
19 You're Only Young Twice (Yorks)	10.60
20 LingalongaMax (Thames)	10.55

Figures prepared by Audits of Great Britain for the Joint Industry Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (Nielsen Ratings)

1 Three's Company (ABC)	24.0
2 WKRP in Cincinnati (CBS)	22.5
3 MASH (CBS)	22.4
4 Lou Grant (CBS)	20.9
5 Taxi (ABC)	20.7
6 Barnaby Jones (CBS)	20.0
7 Laverne and Shirley (ABC)	19.8
8 Mork and Mindy (ABC)	19.1
9 Charlie's Angels (ABC)	18.7
10 Angie (ABC)	18.1

WEEKEND CHOICE

SATURDAY A busy and interesting weekend on television, especially for sports fans, starts with the **World Cup Cricket Final** this morning on BBC1, and **Women's Colgate International Tennis** this afternoon. Highlights of both are on BBC2's **Sports Special** at 9.05 pm. Anyone who missed BBC1's **The Voyage Of Charles Darwin** first time round should see it this time: one of the best television series ever made anywhere.

SUNDAY BBC1 continues its sport at 4.20 with the Germany/UK/Poland **International Athletics** match. **Wimbledon 79** at 7.15 on BBC2 offers prospects for the fortnight. **Turning Year Tales** on BBC2 at 8.05 starts a new series of half hour "filmed plays" from the ever original Bristol unit of the BBC. At 10.20 three promising programmes clash: **The Inner Game** ("sport can be the path to enlightenment") on BBC1; **World About Us** ("Down On The Factory Farm") on BBC2 improving, one hopes, on the recent Brass Tacks imbroglio; and at 10.30 ITV's **South Bank Show** on Sir Michael Tippett. A new batch of the excellent series **The Editors** starts on BBC1 at 10.55. — C.D.

CHESS SOLUTIONS

Solution to Position No. 273

1...K-B7 ch! 2 QxR, N-N4 ch! 3 PxN, Q-R1 mate.

Solution to Problem No. 273

1 K-N2 (threat 2 P-K4 mate), QxQ ch; 2 P-K4 ch, QxB; 3 N-B6 mate. If 1...KxN; 2 P-K4 ch, K-N3; 3 Q-B5 mate.

COLLECTING

Relics of a theatre great

BY [ ]INE FIELD

[ ]e, pathetic, tragic, merry—Oh rare, O wondrous [Te]rry.
[ ]n by Herbert Beerbohm [ ] Ellen Terry's 50th stage [ ]ary, 1906.

[ ]RE props of the Terrys, [ ]ily of the British stage, [ ]p the fascinating sale *[Phy]llis-Neilson Terry Collection of Costume Jewellery [and The]atrical Memorabilia* at [ ]s, South Kensington on [ ] at 2 pm.

[ ]s Neilson Terry, who [ ]o years ago, was the [ ]f Ellen Terry (1847- [ ]he daughter of Ellen's actor Fred Terry (1864- [ ]nd actress Julia Neil[son]. [Th]e collection is being [ ] Phyllis's second hus[band, ac]tor Heron Carvic.

[T]erry family tree, with [ ]ous byways, is a com[plex] affair, and those who [ ] study it should read [ ]ily saga, *A Pride of* [ ] (Longmans 1962), by [Margueri]te Steen, a member of [ ]la Neilson-Fred Terry [ ]. Miss Steen, who died [ ], brings to life the *[ ]and appeal of Ellen* [an]d her partnership with [ ]tistical actor-manager [Hen]ry Irving, who, "even [ ]s inevitably happened, [ ]n love with her, it is [ ]able that Irving ever [ ]d the genius of Ellen [e]xcept as an accessory [ ]wn."

[ ] Mayor, who has organ[ised the] auction, says that there [ ]al reasons why this im[portant c]ollection has survived: "Firstly, of Ellen Terry's eight surviving brothers and sisters, six went on the stage, as did their descendants, Sir John Gielgud, Edward Gordon Craig and others. In Ellen Terry's time actors and actresses still had to produce their own stage jewellery and costumes, bought out of their wages, and obviously fine pieces made to last were passed on to up-and-coming members of the family, not only children but grandchildren too, and sometimes friends playing the same role."

For instance, a green and gold pressed paper fan, was used by Julia Neilson and Phyllis Neilson-Terry in *Sweet Nell of Old Drury*, and a parure designed for Lily Hanbury as Lady Blessington in *The Last of the Dandies* at Her Majesty's Theatre (necklace of simulated emeralds, sapphires and pearls, with matching head-dress, bracelet and ear-rings), was also worn by Phyllis in *Elizabeth of England* at the Cambridge Theatre. A "ruby" and "pearl" necklace designed by Percy Macquoid for Laurie Cowie as Anne Boleyn in *Henry VIII* was then worn by her in *Mary Tudor*, and much later by Vivien Leigh who played the same role at the Open Air Theatre, Regent's Park. One red paste necklace was worn by Ellen, Julia and Phyllis!

Particularly interesting too, is an Oscar Wilde ALS to Fred Terry from 16, Tite Street: "Morrell writes to me that your charming wife is a little afraid that the part of Lady Chiltern in my play is not the best part of the female characters. Let me assure that it is what I believe is called the part of the 'leading lady': it is the important part, and the only sympathetic part." Julia played Lady Chiltern in Wilde's *An Ideal Husband* in 1895, but this was when the storm burst, and the play was withdrawn.

Also in the Christie sale are a crown and belt worn by actor-manager Sir Herbert Beerbohm Tree (1852-1917), as Richard II, of which The Times wrote: "This is a character which suits Mr. Tree to perfection," while The Telegraph found that Mr. Tree "was among the very princes of producers of plays."

An elaborate body chain of chased gilt metal, make-believe coral and turquoise was worn by the darkly beautiful Constance Collier as Cleopatra to Tree's Antony. Miss Collier played opposite Tree from 1900 to 1908, and their careers and friendship are ably presented in Madeline Bingham's evocative *The Great Lover*, published last year by Hamish Hamilton. (Herbert's *half-brother*, Max Beerbohm, said Herbert added Tree to his name because Beerbohm was too difficult a name for the gallery to shout, while another version is that he intended to get to the top of the tree in his profession).

More Terry memorabilia is in a delightful exhibition *Gordon Craig, Lovat Fraser and some Contemporaries* at the Decor Gallery until July 14. (Talented theatrical designer Gordon Craig was the son of Ellen Terry and architect and designer E. W. Godwin, while she was still married, although separated, from her husband, artist G. W. Watts.) The gallery, which specialises in exhibiting and selling original designs for the theatre, has both the original designs and photographs of Ellen Terry's costumes, designed by Godwin, for her role in Tennyson's *The Cup*, directed by Henry Irving. Also being shown are *some drawings of Ellen Terry* by Marguerite Steen, simple studies done between 1917-1923, which are for sale around £40 each. Catalogue of the exhibition is 25p including postage from Marina Henderson, Decor Gallery, 124a, Brompton Road, London SW3.

The Ellen Terry Museum, Smallhythe Place, Tenterden, Kent, is *open March to October* daily, except Tuesday and Fridays. The primitive Tudor house, believed to have been a *rendezvous* for Henry VIII and Anne Boleyn, who lived at the adjoining Yew Tree Cottage, was home to Ellen for 28 years, a simple country place to which she could retreat from the stresses of professional life. The large room on the ground floor is aptly described in the *National Trust Guide* (Jonathan Cape, 1973), as "a monument to the theatrical profession, a treasure house filled with possessions and portraits of famous players — Garrick and Sarah Siddons to Sarah Bernhardt and Duse."

Actress Ellen Terry as Juliet in the late 19th century. Some of her stage props and those of her family are coming up for sale at Christie's South Kensington on Tuesday, in "The Phyllis-Neilson Terry Collection of Costume Jewellery and Theatrical Memorabilia."

An urgent case for treatment

[GOL]F—BY BEN WRIGHT IN THE U.S.

[AT THE] HALFWAY stage of the [ ]s reached here, there [are seri]ous signs that the state [of the p]rofessional game is not [as] rosy as some officials [cl]aims to suggest. Tele[vision] ratings that indicate [sh]are of the national [ ] are significantly down [ ] returned for the same [ ] last year — despite [ ] winter weather in the [ ]at automatically boosts [con]siderably.

[ ] perhaps not as serious [ ]ht be in less up-market [ ]uch as basketball, in [ ]e domination of black [ ]as apportioned a large [ ] the blame for the [ ]s drop in television [ ]s during the season just [ ]. Golf is still very much [ ] for corporate enter[tainment], so when American [ ] chose to pull out from [the sponsors]hip of the Westchester [ ]ere in August, Manufac[turers H]anover Trust quickly [ ].

[ ]ives of such companies [ ] more concerned with [ ]ct of their gold promo[tion on] a limited audience of [ ]han they are on the [ ] public. But there is [d]iscontented rumbling, [ ]rly at the CBS TV net[work, wh]ere, about the rights [ ]e PGA tour is charging [ ]er year—as golf's view[ers]ence contracts.

[P]GA tour itself, at the [ ]on of a proportion of [ ]ers, is at present con[ducting] a feasibility study to be [ ] at Westchester investigating the possibility of splitting the tour into two divisions, with promotion and relegation.

The upper echelon of 100-odd players would, it is proposed, play in about 30 major tournaments offering prize money of $300,000 and upwards. The rest would play in events worth, say, $150,000 and run concurrently nearby.

The last-placed 30 or so in the major league at the end of the season would be relegated to the second division, from which the top would naturally be promoted.

The idea of the exercise is to spread golf's present $13m in prizes more evenly. Certainly the money list is at present top-heavy, with in reality only a very small number of players earning a good living. And the number of players who fall by the wayside is staggering.

But for the life of me, I cannot see any chance whatsoever of the proposed scheme working in practice. With due respect to the players concerned, who wants to watch D. A. Weybring and Morris Hatalski, when only a few miles up the road they can see Jack Nicklaus, Tom Watson, Lee Trevino and company.

Obviously, PGA tour commissioner Deane Beman will have to rely heavily on blackmailing his sponsors to get such a scheme off the ground and on the air. Beman will have to promise favourable dates and the certainty of TV coverage to persuade a potential tournament sponsor to put on a concurrent minor event.

Just as surely, Beman will in future try to stage his major productions nearest to the greatest catchment area in terms of urban population. Thus he has already persuaded Jim Kemper of the Kemper insurance companies to move his Kemper Open from its traditional home at Quail Country Club in Charlotte, North Carolina, to the famous Congressional Country Club in Washington DC next year.

Another problem facing Beman will be to persuade the great players to accept relegation to the minor league and continue to support both it and the PGA tour by playing regularly.

For instance, can you imagine Nicklaus continuing to play if, as on current form, he was relegated? No chance. It seems to me that on graduating from the PGA tour school, all players will in future have to *sign a contract to play in a* specific number of tournaments per year if the sponsors are to be kept happy. Or, better still, the contract would force every player to play in every event available to him at least once every three years. This would prevent players like Nicklaus from skipping a particular tournament because he despises the course on which it is played.

But I see professional golf's current sickness as having been caused by two major factors. The events are too stereotyped and lacking in variety, a fact which Beman seems anxious to encourage. For example, the most successful innovative promotion in terms of spectator interest here in the last decade has been the Legends of Golf Tournament at Onion Creek Country Club in Austin, Texas, in which the stars of yesteryear are teamed in pairs to play four-ball, better ball golf. And this leads to the second major factor in the current decline of interest.

It is directly geared to the waning skills of Nicklaus, Arnold Palmer, Gary Player and the rest of the generation who popularised golf as a spectator sport and television medium. The new generation may be just as skilled technically but the game is dying on its feet for their very sameness and lack of character.

Lee Trevino taught his generation that golf has to be entertaining but few listened and now the game is suffering for it. Fuzzy Zoeller, the current Masters champion, sticks out here like a sore thumb because he laughs and jokes with the crowd—which is why he has become so popular. But to the majority of players, golf is a grim business; and my goodness, don't they make it look like one?

The television networks are failing utterly to humanise the new breed and present it to the public as anything better than a group of faceless zombies. What with the shortage of petrol and inflation, I see nothing but trouble ahead for the game in all its facets. But the most urgent case for treatment is the PGA tour.

Stravinsky and Gobbi

[Stravins]ky in Pictures and [Docum]ents by Vera [Strav]nsky and Robert Craft. [Hutch]inson, £16.00. 688 pages

[Tchaiko]vsky: the Early Years [by D]avid Brown. Gollancz, 348 pages

[Chopin] by George R. Marek [and] Maria Gordon-Smith. [Weide]nfeld and Nicolson, 289 pages

My Life by Tito Gobbi. Macdonald and Jane's, £6.95. 217 pages

It would be difficult, if not downright impossible to compile an uninteresting book about Igor Stravinsky and the Vera Stravinsky-Robert Craft volume, despite its great length, has not a single dull page. The illustrations—playbills, designs for productions of Stravinsky's ballets and operas, facsimile excerpts from letters and scores as well as innumerable photographs from all periods of the Russian/French/American composer's life—are superb. The text makes fairly difficult reading, partly because of the book's weight and partly because the notes, though satisfyingly complete, are separated by such a distance from the documents quoted.

For the earlier, Russian and European years, Robert Craft often resorts to a timetable to link the relevant quotations; for the second half of the book he uses Mrs. Stravinsky's diary, or his own, to provide continuity. Although "the events of almost every day of Stravinsky's 32 years in America can be reconstructed . . . the sum of the parts is less than the whole, a casual remark of the man himself often casting more light than pages of biographer's details." Quite so.

Tchaikovsky: the Early Years by David Brown is the first in a three-volume study of the Russian composer's life and music, bringing the former theme up to his 35th year, and the later to the second symphony, the second quartet and *Vakula the Smith*, fourth of his completed operas. David Brown goes into fascinating detail about the early operas; his advocacy makes one long to hear both *The Oprichnik* and *Vakula* (revised a decade later and retitled *Chererichki*) in the theatre. For the rest he sketches in the familiar backgrounds of St. Petersburg and Moscow Conservatories, presided over by the Rubinstein brothers, and the Davidov estate of Kamenka in the Ukraine. For a more penetrating analysis of the central figure one must wait for the next volume.

Letters, as George Marek ruefully states, are the bricks of biography; in the case of Chopin, not only are there precious few bricks, but hardly any straw either. George Sand, the Russians and the Nazis have successively seen to that. In Chopin Maria Gordon-Smith, herself born and brought up in Warsaw, has provided valuable material for the two first, Polish, decades of Chopin's life. With the arrival of the twenty-two-year-old pianist-composer in Paris, Mr. Marek continues alone. His aim is to refute the legend of "poor, frail, tubercular Chopin appearing like a wraith in the over-heated salons of over-sentimental countesses." There is indeed evidence that Chopin was much tougher, both mentally and, until the last months of his life, physically as well, than the conventional portrait of an unworldly genius dominated by the mother-figure of George Sand would allow.

My Life by Tito Gobbi is fortunately a far cry from the usual ghosted opera singer's *autobiography*. *Ida Cook has* evolved a style that exactly fits the ebullient personality of the Italian baritone; this is how, one feels, Signor Gobbi would write if he were able to express himself in completely idiomatic English. The humour of Falstaff and Gianni Schicchi, the generosity of Simon Boccanegra, the resourcefulness of Figaro, are abundantly in evidence; conspicuous by their absence are the black villainy of Scarpia and Iago, perhaps Tito Gobbi's two most famous roles.

The book contains no mali*cious anecdotes about* other singers, though there are plenty of witty and revealing stories. It does not make its subject out a plaster saint—the ambition without which the young man from the Veneto could never have risen so rapidly in a cut-throat profession permeates the earlier, most fascinating chapters—but it paints a life-like self-portarit of one of the best-loved singers of this, or indeed of any other age.

ELIZABETH FORBES

SALEROOM

ANTONY THORNCROFT

A typical painting by George Stubbs, showing a dark bay and a grey horse in a wooded landscape, sold at Christie's yesterday to Cooper, the London dealer, for £80,000, plus 11.5 per cent in buyer's premium and VAT. It was the top price in an auction of English pictures which totalled £760,700.

The National Gallery of Ireland paid £26,000 for a portrait by Sir Joshua Reynolds of the Rt. Hon. John Hely Hutchinson, who was secretary of state for Ireland in 1777. The National Portrait Gallery in London was also a buyer, acquiring a painting of the English School, circa 1795, of Robert Clive meeting the Nawab of Murshidabad for £2,800.

Other high prices were the £35,000, from Cooper again, for *four sporting paintings* by Henry Alken, Snr, and £30,000 for a picture of the Melton Hunt going to draw Ram's Head cover by Sir Francis Grant. This had been originally bought by the first Duke of Wellington in 1839 from the artist for 500 guineas and was sold yesterday by the present Duke.

A silver grande sonnerie tourbillon carriage clock by Charles Frodsham, made around 1917, sold at Bonham's yesterday for £17,000 while at Sotheby's the collection by Mr. and Mrs. Alex Abrahams of English and continental furniture and carpets made £188,265.

The top prices here were the £13,000 for a George III parquetry and marquetry bombe commode of around 1770; the £10,500 from R. A. Lee for a Louis XIV marquetry bureau Mazarin; and the £10,000 for a pair of George III painted satinwood sideboards.

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A gloomy long range weather forecast

A SOBER and sobering week has ended with Britain's weather forecasters on strike, and with markets (and Governments) around the world almost equally unwilling to take a forward view. Earier in the week, there were forbidding long-range *forecasts*. Sheik Yamani and the International Energy Agency in Paris gave remarkaby similar assessments: there is no presently known method of meeting projected energy demand more than five years hence. Meanwhile, the City has been circulating rumours of oil company projections which would at least delay the crunch: growth in the developed world down to zero or less well into the 1980s. The crisis is here, but not the policies to meet it.

U.S. fears

The possible recession seems to remain relatively low on the agenda. In Germany the Bundesbank warned that its monetary stance would remain unyielding; inflation is seen as a far more urgent problem. In the U.S. the rapid improvement of the current account balance suggests that domestic demand is easing at last, despite what looks on the most recent figures like an effectively lax monetary policy. However, fears *of U.S. inflation are unabated*: the dollar has had one of its worst weeks since the November remedial package. Sterling, by contrast, has continued its seemingly unstoppable rise, despite unfavourable seasonal *factors*, forbidding trade figures, and the first relaxation of exchange controls.

Promised land

If the market trusted these trends and forecasts, one might expect to see Government stock rising sharply, on the strength of sterling and the expectation of recession, and industrial equities demoralised by competitive pressures and the poor sales outlook. Instead, both markets have been drifting. There is growing worry that the Government's monetary targets, some percentage points below the projected rise in retail prices, may be extremely difficult to achieve.

If monetary restraint were to give way before combined credit demand and wage pressures, our domestic crisis could deepen considerably before we reach the promised land of rising oil revenues and full-year collection of the new expenditure taxes. This is a subject of controversy: some analysts argue that higher VAT will add nothing to credit demand, since the tax is paid in arrears: there is no dclear precedent on which to base a forecast.

The paradoxical strength of sterling in present circumstances, due to high interest rates as much as high oil prices, offers of course some reassurance on the inflation *front*. *It* will, if it persists, limit the rise in raw material prices and tighten the disciplines of competition. The latest wage figures, which suggest that the bursting of Mr. Callaghan's dam last winter did not release quite such a flood of wages as had been feared, offers another ground for hope that the coming winter *will see* wage pressures some way below the disaster level. Mrs. Thatcher's warning that her commitment to free bargaining should be read as an invitation to realism rather than to a free-for-all deserves constant repetition—though it may be somewhat undermined by the pay militants on her own backbenches.

Labour market

However, what will be much more persuasive than any rhetoric is the likely state of the economy by the winter. We are at present still near the peak of a recovery from last winter, which carried output in the spring to record levels. Despite the unemployment figures, the labour market in many areas is almost as tight as the credit market.

This pressure is very unlikely to persist. The rapid fall in profits already showing in the national income figures will put companies under pressure to retrench, and the Government's own *efforts* at retrenchment remain by all accounts ambitious and determined. The consumer buying spree is over for the time being, though tax rebates in October could finance a short recovery round Christmas; but the falling trend of activity forecast by the Treasury is likely to appear as a fact uncomfortably soon.

Breathing space

The worldwide slowdown which is now generally expected is, of course, a consequence of worldwide failure in the past five years to find effective solutions to the related problems of energy and inflation; but it is also a breathing space. The strength and obstinacy of the problems now seems better understood than last time round; but that is the only sense in which we can so far be seen to have advanced. The Tokyo summit will show whether we are now ready to take the first tentative steps towards real solutions.

A chastened Community at the European summit

THE MEETING of the heads of Government of the European Community which ended in Strasbourg yesterday had two related themes. One was how the new British Government, headed by Mrs. Margaret Thatcher, would adapt to the Community. The other was how the Community would adapt to changing circumstances in the world. In the discussions of both there was only a limited success.

To take Mrs. Thatcher first, there is no doubt that she was a centre of attention. It is acknowledged that her Government's intentions towards Europe are quite different from those of its Labour predecessor. Mrs. Thatcher herself plainly wants to play in the same league as Chancellor Helmut Schmidt and President Gisard d'Estaing. She is given full marks for her ambition.

She has also won her first European prize. The agreement to invite the European Commission to submit proposals which could lead to a reduction of the net British contribution to the Community at the next summit meeting in Dublin in November is better than anything achieved either by Sir Harold Wilson or Mr. James Callaghan.

This contribution is likely to rise to around £1.2bn next year if the system is unchanged. It has become a major drain on the British economy preventing, or so Mrs. Thatcher claimed, further cuts in direct taxation in the British budget earlier this month. For purposes of comparison, the cost to the Exchequer of one penny off the standard rate of Income Tax is just under £500m. She has succeeded at least in winning recognition that there may be a special British problem requiring remedial *action before the end of this* year.

The British Government has made this gain—so far—without having to pay any particular price. It is argued by some of the strongest critics of the Community's Common Agricultural policy that the agreement to re-examine the workings of the budget was only possible because Britain more or less simultaneously agreed to an increase of farm prices. Yet even this argument can be stood on its head. The very fact that Britain's net contribution to the budget will rise still further as a result could re-emphasise the need for reform.

For the rest, Britain made concessions that are at least *painless and could* even *by self-*rewarding. Mrs. Thatcher announced that the country will participate in the short-term swap facilities which are part of the European Monetary System. In practical terms, the monetary consequences of this move will be very limited. It was intended as a gesture of good will, but it is precisely such gestures which have been missing in the past.

Mrs. Thatcher also gave a pretty strong hint that the Government will give sympathetic consideration to joining the monetary system itself later in the year, if only for the reason that entry on certain *terms* could help to stop the pound rising on the exchange markets. It was, in fact, a remarkable event for a British Prime Minister openly to discuss the prospects for sterling at a Press conference. Whether she did so *from inexperience or simply* because she believes in being honest is one of these intriguing, unanswered question about her.

On all other questions Britain was a full participant. There were no occasions when the British leader had to plead special circumstances or to refer to the unpopularity of the Community at home. The meeting was also marked by different alliances on different subjects. It could not be said, for example, that Britain and France joined together to present an essentially Gaullist vision of Europe.

Anglo-French agreement

There may possibly have been Anglo-French collusion on agriculture with the British agreeing to increase farm prices in return for French acquiescence in taking a new look at budgetary contributions. Equally Britain must have acted closely with Italy which has its own grievances about unequal returns from the Community.

On the subject of oil prices, the decisive alliance seems to have been between Britain and Germany. Both Herr Schmidt and Mrs. Thatcher insisted on their belief in the market economy and the price mechanism in such a way as to override the French preference for placing controls on the spot market and for trying to set an oil price. Even more remarkable, the French then toned down their demands. On the need to stress the vital importance for the future of nuclear energy, the key alliance was between Britain, France and Germany, with some opposition from the Dutch.

In that sense therefore this was a genuine community meeting. There were no permanent factions and, the budget apart, no special cases. At the same time, however, there was a pervasive sense of inadequacy. It was a pity that the budget had to be discussed at all when the Community has bigger problems on its hands. The issue has not been resolved, but referred to the Commission. As Mrs. Thatcher herself remarked, the "acid test" will come in November. By then Britain could again be in economic trouble and approaching the Community as a suppliant rather than an equal. External problems facing the community could also be worse.

Foremost among these is the world energy situation. At best, what the Community has achieved is agreement in principle to cut oil consumption to a level which would make it compatible with present supplies. If supplies were to decline much further—if Iran, for example, were to drop out of the market altogether—the situation would be serious indeed for there is virtually no fall back position in the short term.

Equally, if oil prices were to go rising at their present rate, there could be drastic economic consequences, although ironically rising prices could do more than anything else to reduce consumption.

It would be naive to imagine that the community is unaware of these awesome possibilities. Buried away in the Strasbourg communique, there is a sentence which states that if oil consumers and producers cannot reach a common strategy, "the world will rapidly move towards a large-scale economic and social crisis." The fact is that the Community recognises the size of the problem, but is also conscious of the limits of its own power to do very much about it.

Perhaps the most striking feature of the discussions on energy was the realisation that Europe can do little on its own. The old rhetoric about building an independent Community, capable of standing on its own feet, is out. In its place there is an insistence that those European leaders who go to Tokyo next week must do so united an ddetermined to seek a common position with Canada ,Japan and the U.S.

There is also talk about Europe being ready to shoulder greater responsibilities in the world. But in no sense is this aimed against the U.S. and there is no thought of Europe as a superpower. Rather does it reflect concern that the American position in the world has weakened, and the need to act together. Europe would like to do more, but has formally recognised that it can only do so in co-operation with its major industrial allies.

One may welcome this development as an acceptance of reality, and certainly there were few illusions at the Strasbourg meeting. But the reality is grim and few problems have been solved. The fear of the consequences of failure was probably responsible for such agreements as have been reached, and it is on fear that we shall have to rely if unity is to be maintained.

Malcolm Rutherford

Mrs. Thatcher at Strasbourg declines a glass from the EEC wine lake. Herr Schmidt looks on.

THE FARM PRICE DEAL

Cold comfort

GOVERNMENTS congratulating themselves, at least in public, over the EEC farm price package agreed in Luxemburg this week may not have realised quite how high a price they paid for a peaceable settlement. There can be little doubt that the net effect of the package will be to increase the EEC's already huge farm surpluses which are expected to empty the Community purse by 1981, if not sooner.

The dust has not yet settled on the surprise *volte face* of the British government which made the deal possible. The other Governments are still mulling over the political implications, which could have an enoromous effect on the Community's future. But in the short term, the financial implications are even more important. This is not so because of the 1.5 per cent price rise, which by itself will probably not provoke a crisis.

The real damage was done when farm ministers threw out proposals to tax milk production and cut sugar subsidies. These two proposals represented the only major efforts made by the Community this year to reduce the two big surpluses which, according to Mr. Roy Jenkins, the Commission President, will soon cause the Common Agricultural Policy to collapse under its own weight. The rejection was a humiliating defeat for the Commission and highlights its impotence in the face of ministers bent on a politically attractive deal.

Public reaction from heads of Government in Strasbourg, who expressed a broad satisfaction with the agreement, throws the onus on to the Commission to come up with some ideas to rationalise the CAP. The Commission knows there can be no reform of the CAP until EEC governments truly want one. At the moment, evidently, they do not.

But this week's settlement may force Governments to face the problem of surpluses a little sooner than previously expected. Commission estimates indicate that by 1981 the cost of the CAP would push the budget beyond the limits of present EEC revenues. Since both Britain and Germany refuse to contribute more to the EEC budget, this implies that if Governments did not act to curb farm spending by then, farm payments simply could no longer be made.

Those estimates were made before this week's settlement. Though the settlement, according to British figures, only adds £75m to the annual cost of the CAP, it will cost up to £900m more than would have been the case if the Commission's proposals for a price freeze and a greatly increased levy on milk had been accepted. Mr. Finn Olav Gundelach, the Farm Commissioner, said after the settlement that a supplementary budget would probably be required this year to finaace it. The 1980-81 budget estimates would have to be revised sharply upwards because of it.

Even if the Commission eventually gets the support of EEC Governments, failures such as this week's erode its ability to push through the essential reforms. All the basic formulae have been tried, and defeated, in the past. Both the proposed milk tax, and the cuts in sugar subsidies, appeared in last year's review when the tax was cut and the sugar subsidy cuts rejected as firmly as they were this year. As last year, the Commission is talking bravely about presenting radical plans for cutting surpluses in the autumn.

There is some talk of simply refusing to buy up surpluses when production reaches a certain level. Although the Commission is not certain that it has the legal power to do this, there are those who feel this is now the only means left to it to curb the milk surplus.

With sugar, it may have more leeway since the present market support arrangements run out in 1980. In devising a new system, the Commission may be able to make support arrangements more closely tied to production levels, less closely linked to fluctuations in the domestic political fortunes of the nine Governments.

The course of this weeks negotiations indicates why. Since council sessions are private, it is not certain exactly what happened. But piecing together accounts from several of the participants, it appears that as Ministers assembled on Monday, France was pressing for a small price rise, Britain and Germany wanted a freeze, and other member states appeared ready to go either way so long as their own national problems were taken into account.

The first two days were spent in bilateral chats. When the council assembled on Tuesday night the situation looked intractible. Talks appeared likely to break down which would have meant an effective price freeze till the autumn.

More bilateral talks followed on Wednesday, apparently to little avail. When the council resumed on Wednesday night, the French Minister M. Pierre Mehaignerie acting as Council President, proposed breaking the meeting off, referring the issues to the EEC summit in Strasbourg the next day and rescheduling the farm council for the next Tuesday.

This was apparently too much for the Dutch minister, Mr. Alphons, Van Der Stee, who said he was fed up with three days of useless talk. Why, he demanded, did the ministers no simply accept a 2 per cent overall price rise, freeze the milk price, and get on with it.

Denmark and Germany protested suggesting that the costs should at least be examined first, but other ministers seemed keen to discuss the idea. Over the next couple of hours, they cut back the 2 per cent to 1.5 per cent, agreed that since no one liked the milk tax it should be cut right down from the proposed 3 per cent, and mulled over national problems such as Britain's green pound devaluation.

When they brokez off at 2.30 p.m., the situation appeared fluid, although it was clear that the British were taking a softer line. But when talks resumed at 9.30 the following morning, the deal suddenly slid into place, with the commission looking on in anguish from the sidelines. The fact that the ministers were able so completely to ignore the Commission may have set an ominous precedent. The implications have not been lost on the Commission.

Margaret van Hattem

Letters to the Editor

Union attitudes

From the Chairman, Federation of Conservative Students.

Sir,—The recent report on microtechnology and trade union reaction to its introduction identified quite correctly the main components of that response: shorter working week, guarantees on job status, redundancies and so on. However, both the report and the TUC guidelines fail to tackle with sufficient vigour the central problem of new working processes and that is the erosion of traditional demarcation lines. The Times is only too well aware that whatever guarantees are offered, if the basic demand remains *one* of insensibility towards changing circumstances, then there is little that can be done.

True, the TUC and individual unions have emphasised the need for this country to grasp the technological revolution with open arms, but the very *benefits that should accrue are* being effectively denied. The purpose of the micro-processor and its associated paraphernalia is to change the very nature of our work in such a way as to raise productivity and make industry more competitive both domestically and internationally. If it is expected that, say, a secretary will still continue to be the monopoly controller of anything remotely approaching a keyboard and, furthermore, that no secretaries are to lose their jobs (and if that means work-sharing their income must be guaranteed), then the whole point of introducing the new technology is lost. Unless we exploit this new-found benefit to the fullest extent possible, then *there* will only be greater unemployment in the end.

It is time therefore for the TUC to put its own house in order. Only now after six months of dispute are the NGA and the NUJ actually talking to each other about changing traditional demarcation-lines between the two. As the applications of the microprocessor become more apparent, this process of inter-union negotiations must become an increasing part of the TUC strategy if that strategy is to make any sense at all and if we are *all* to reap the benefits of a competitive industrial society.

Eddie Longworth,
32 Smith Square, SW1.

Mighty moped

From Mr. David Ford

Sir,—If Mr. Jamieson (June 10) swapped his car for a moped, he'd be saving himself and the country a great deal of petrol. But he'd also have some difficulty meeting his proposed £4 minimum on the *garage forecourt. Most mopeds have only half-gallon tanks.*

David Ford.
273 Worcester Road,
Malvern Link, Worcs.

Tax injustice

From Mr. F. Stark.

Sir,—Although the exempting from Investment Income Surcharge of the first £5,000 of such income for everybody is a step in the right direction, the imposition of any investment Income Surcharge is monstrously unfair to one section of pensioners.

A retired married man ("A") whose income is made up of state pension and investment income will still start paying tax at the rate of 45 per cent on a gross income of £6,841.

A retired married man ("B") whose income is made up of state pension and occupational pension will not begin to pay tax at the rate of 45 per cent until his income reaches £13,816.

Surely anyone can see the injustice of "A" paying £1,031.25 more tax per year on a gross income of £13,816 than would "B" on a similar income and personal allowances. To give another example, pensioner "A" with an income of £11,525 would pay more tax than pensioner "B" with an income of £13,816.

It only adds to the sense of injustice to realise that the investments of those in category "A" are mainly in trade and *industry producing* the wealth to pay for the subsidised index-linked pensions of many of those whose occupational pensions do not bear the Investment Income Surcharge.

Perhaps during the course of the Finance Bill Sir Geoffrey Howe might care to consider *exempting completely from the* Investment Income Surcharge all people of pensionable age.

F. Stark.
176, Southend Road,
Wickford, Essex.

Oil holidays

From Mrs. R. Wyneken.

Sir,—There is of course *nothing so irritating as uneven* distribution in times of shortage and it is difficult to avoid having slight pangs of envy for our Continental neighbours, who in the main still enjoy abundant petrol pump supplies, doubtless due to the benefit of North Sea oil.

In order to ease the position in the UK, if only slightly and temporarily, it would seem appropriate for the Government to actively encourage would-be UK holidaymakers to divert their cars to the Continent instead, thus reducing UK consumption. In the national interest this might be worth a small financial subsidy for each family changing its holiday plans!

(Mrs.) R. Wyneken.
9, Sherwood Avenue,
Ruislip, Middlesex.

New thinking

From Mr. J. E. Talbot

Sir,—There will surely be a warm welcome for your report (June 15) that Rio Tinto Zinc is to go ahead with its rescue of the Cornish Wheal Jane tin mine, whether it receives Government assistance or not. One notes that this decision is subject to technical and commercial studies but considering the time that has elapsed since RTZ was first reported as having become interested in the proposition, it seems likely that the company is already pretty sure *of its feasibility. You go on to* refer to RTZ's announcement that the decision was a response to the "new thinking outlined by the Chancellor of the Exchequer in his budget speech, which requires a positive response from industry."

It is to be hoped that, in this *light, other companies, great* and small, will review their capital expenditure programmes. The cumulative result could be a marked improvement in employment and productivity.

You also report that the Confederation of British Industry was stated to be "delighted to see this early evidence of a new *spirit* related *directly to the* Budget."

Is the CBI proposing to foster this admirable spirit among its widespread membership and to set up a central register for recording such developments with a view to publishing brief details of them from time to time?

J. E. Talbot.
Verdley Down,
Midhurst Road, Fernhurst,
Haslemere, Surrey.

Incomes compared

From Bernard Keeffe

Sir,—It seems inevitable that we should be constantly subjected to charts, graphs, cartoons and animated doodles, in the attempt to make sense of an international comparison of income levels, taxation, spending power and so on. The current argument about the price of petrol is a good example: its no use merely comparing the price per gallon at current exchange rates, without taking into account levels of income, personal taxation, road taxes, and social security payments. When these are taken into account, I suspect that we should find that we are paying rather more than some of our neighbours.

Surely it is time to find a simpler and more accurate mode of comparison. A statistician armed with the latest chip should be able to calculate an international unit of income, *that is based on residual pur*chasing power, the value of the social wage, and the way of life of the country concerned. This would avoid the nonsense of comparing the price of a typical English breakfast in Naples, Stockholm, Accra and Osaka, and coming to the conclusion that cornflakes are cheaper in Neasden. It might also put an end to the misleading and often distorted comparisons that spring so easily to the lips of our political masters.

Bernard Keeffe.
153, Honor Oak Road, SE23.

Loan guarantees

From the Chairman,
Synergy Holdings

Sir,—I think Sir Geoffrey deserves better of small businesses than the response he has received to date. For our part, we are immensely encouraged by his Budget, and will now be taking marginal decisions in favour of growth and risk rather than standstill and fear. This should produce 5-10 *more* jobs over the year than would otherwise have been the case.

If, however, he would like us and other first generation small growth companies to expand still faster, he must reduce the cost of money and the unacceptable personal guarantee risks I and *my fellow entrepreneurs* take when increasing our lines of overdraft finance.

Could I therefore press him to re-examine the Loan Guarantee Scheme mentioned by the Wilson Committee, backed by Harold Lever, and which enjoys strong support amongst Conservatives who understand the problems of starting as *opposed to inheriting* a *business*.

If such a scheme was linked to low interest rates and paid for by withdrawing the Small Firms Employment Subsidy, of which we are significant beneficiaries, it would, in my view and at no cost to the taxpayer, stimulate more growth, more exports and more employment.

Peter M. Brown.
12, Hyde Park Place, W.2.

Taxed income

From Mr. Pelham Ravenscroft

Sir,—Of course the Chancellor of the Exchequer is right to reduce the top rates of income tax. This is something the Liberals have been advocating for some time.

But, at the same time, he should reduce the top rates of pay. We have heard for many years how it has been necessary to pay top managers astronomical salaries because of punitive taxation (e.g., at 83 per cent, to give a man an extra £10 a week he had to be paid £3,000 a year more).

Now the rates are down, the pay should come down. This should be applied by law throughout the public sector, and most or all large public companies would follow suit. Smaller and private companies are a law unto themselves and in any case tend not to pay such large salaries.

The following table shows that our top people could still have a good tax reduction while bringing their salaries down to more realistic levels (married man).

Thus modified, the Chancellor's divisive proposal should receive more support from the country at large.

Pelham Ravenscroft.
Oakwoods Farmhouse,
Selborne, Alton, Hampshire.

Pay before reduction	Take-home 1978-9	Pay after reduction	Take-home 1979-80	Increase
£	£	£	£	£
20,000	11,311	18,000	11,888	577
25,000	13,572	21,000	13,795	1,220
30,000	13,465	23,000	14,736	1,271
40,000	15,165	27,000	16,527	1,362
50,000	16,865	32,000	18,527	1,662
60,000	18,565	37,000	20,527	1,962

GARDENS THE ENGLISH LABOUR AND THE GERMANS UNTYPICALLY RELAX

In defence of the raucous lawnmower

BY JOHN LLOYD

'RITISH Members of the ·an Parliament have not d their (rather shaky) te a moment too soon. A task awaits them. A institution is said to be a prospect so grave that it, "party differences are ing."

European Commission is ur lawnmower noise.

e is so central to the ı way of life. In an ingly secular country, ıwer noise has largely d (where it does not the sabbath sermon. Its e is of idiosyncratic devo- short grass, a quasi-] reverence and for the of neighbours. Lawn- noise is the instru- backing for summer Sun- ıow these Continentals stopped.

se from lawn mowers," snotty little note of last ıer from the European ssion, "is often an mental nuisance, and member countries have :o introduce laws requir- nufacturers to introduce machines. Unfortunately :mitted maximum noise differ in each country, eating internal barriers e that flout Community s.

Commission's aim (it es) is to halt im- ly the development of ngly noisy mowers and, g all the resources of day technology, to imits to be set to permis- ise levels, and to provide ther reduction of these s soon as new techniques en developed."

ems, however, that we : frontally to repel this on our raucous Sundays. ter Bullock, managing of Flymo and chairman British Lawnmower Manufacturers' Federation, is merely mildly sceptical about it.

"Our concern is over petrol mowers. The use of electric mowers is increasing, and it is quite easy to make them quiet. But it is worrying for the petrol engine people. We have proposed that there should be a delay in the drafting of legislation while we see what can be done, and the EEC has accepted that." But, he adds, the West Germans may bring in legislation of their own on the issue, and their industry is busy promoting the silent lawnmower. (A strange people, indeed.)

Lousy weather

Yet the disquiet which the EEC has stirred in the British garden equipment industry is a small shadow on an otherwise largely bright existence, in which just about everything has gone right for the past year-and-a-half and is expected to keep on going right for some time to come. The weather, on which the industry's fortunes closely depend, gave it a bad time in 1976 and 1977 by being good, then gave it an unprecedently good time last year by being bad. This year the weather is lousy, and the manufacturers are predicting an *annus mirabilis*.

The equation is classically simple. A rainy summer = long grass. Stimulated to fever pitch by mowing the lawn, the gardener then throws himself on weeds, hedges and flower beds, using not only mowers, but spades, rakes, forks, clippers, pruners, cultivators, hoes and shears at a great rate. "The Englishman goes into his garden to work," says Dr. Michael Bush, group product manager of Wilkinson Match's garden tools division, approvingly. "Whereas the German might go out to have a barbecue and enjoy himself." (There is no understanding these Germans!)

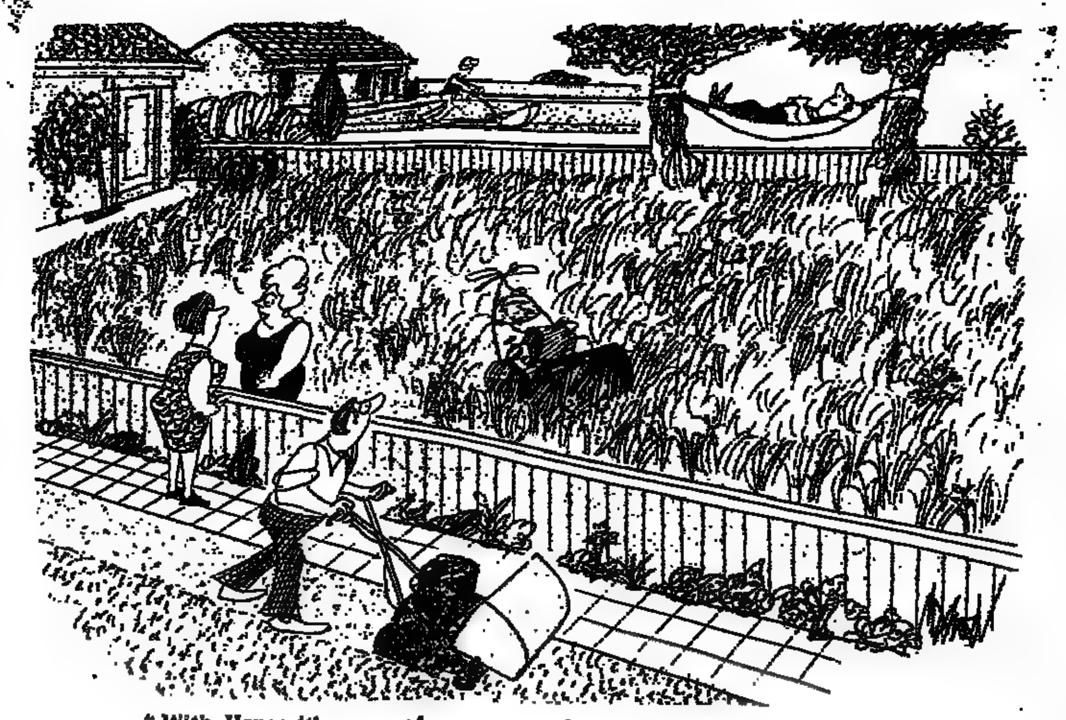
The English habit of indulging in hard labour in his garden means a good living for the companies in the industry. In the current year, the lawnmower manufacturers reckon they will sell around 1.5m machines worth £60m. Imports are negligible.

The larger of these sectors is also the more buoyant and the more innovative. While there is still a surprisingly big sale for handmowers — Mr. Peter Prateley, managing director of Qualcast, Home and Garden Equipment, says he sells between 100,000 and 150,000 a year — the trend remains towards the powered mower and, specifically, the electric. The petrol mower, despised by the peace-loving Europeans, is also being increasingly ignored by the British gardener, and finds its main market in the parks departments of local authorities.

In this last market, it is worth noting, the petrol mower has recently seen a revival in its fortunes, one which brings smug smiles to the faces of its makers. Two years ago local authorities attempted economies by cutting their parks' grass only six times a year. "They soon found it was a false economy," said Mr. Peter Barraclough, managing director of Hayter. "In a wet summer, the grass gets out of control." They are now back to regular cutting, and sales of the big, spluttering machines are again brisk.

The electric end of the market, however, is where the action is. Here, the three major companies—Qualcast, Flymo and Black and Decker—compete not just for custom, but on lawnmower type.

Until last year, the Great Debate within the industry was between the protagonists of the cylinder mower and the supporters of the rotary mower. (A cylinder mower, for the few who have not been sucked into the vortex of this conflict, is the traditional arrangement of curved blades round a central shaft; a rotary is where the cutting arm rotates horizontally, driven by a central vertical shaft.) Much talent and energy has been mobilised to protect the investments in both. The cylinder for long appeared to be dominant because of the supposed preference the English have for striped lawns. It seems, however, that they are beginning to succumb to the German disease of enjoying themselves and are increasingly preferring the easier-to-use, if less close-cutting rotary mowers.



"With Harry it's more of an energy shortage than a petrol shortage."

This year, the two-mower system was disturbed by the entry of a third type into the ring. The hovering mower—a machine which cuts while riding on its air cushion, thus making cutting even easier—had, until last March, been an exclusive patent to Flymo. In that month, the patent ran out, and Black and Decker and Qualcast dived in. Both now have their own versions of the hovering mower, and say they are doing well. Peter Bullock of Flymo is insouciant: "It is a good thing that others have come into the market: it gives us a spur. But we will have no difficulty in keeping ahead. Air cushion mowers are the way the world market is going: we reckon that 40-50 per cent of the market will be of the aircushion type in the next three or four years."

Irrespective of which of the three types of machine they back, the major makers, together with the smaller companies like Hayter, Wolsely Webb, Wolf and Mountfield, are united in their satisfaction with sales. Many have plans for expansion in their plants and workforce: most say they cannot keep pace with demand; the larger — such as Qualcast—are even pondering the possible application of the microchip to their mowers.

They are also comparatively large exporters: Qualcast ships 25 per cent of its production. Black and Decker exports around the same proportion of its mowers, but more than double that figure of trimmers, while Flymo reckons its exports could approach 50 per cent. Of this figure three-quarters go to Europe, a proportion typical of other manufacturers, but the larger makers don't stop there. "We export to Japan," says Mr. Prateley of Qualcast proudly.

The hand-tool section of the business is, on its own admission, more tranquil. The Commission has not yet discovered substantial annoyance caused by noisy spades: though the hand tool makers are proud to be different from our European partners there as well. A spade is not necessarily a spade everywhere. Dr. Bush of Wilkinson Match points out that a Scots spade is different from an English one, while the German version is likely to have a pointed blade, a five-foot-long shaft and no crossbar at its end. Hardly surprising that they have given up gardening for barbecuing.

An estimate of the worth of this market is around £28m a year, with little growth expected. Exports for most products (with the exception of pruners) are low. The dominating companies are Wilkinson Match and Spear and Jackson; the former is strong in cutting tools because of its traditional association with things sharp, the latter is much stronger in spades, forks and rakes—and is one of the best-known names in the business.

Irish forge

Wilkinson was strengthened last year by the purchase of True Temper, the garden equipment subsidiary of the U.S. company Allegheny Ludlum. True Temper had a forge in Eire which Wilkinson now owns (it had previously supplied Wilkinson with many of its products). Dr. Michael Bush believes that the acquisition of the forge, together with the introduction of a middle-price range of tools, has meant that the company's growth over the past year has been around 20 per cent, while the value of the market grew by some 11 per cent.

Spear and Jackson, which says it is "looking hard" at the garden tool sector, also introduced a new range last year, aimed at professional gardeners. The range has done well, it says, though the overall market is stagnant. Still, it allows a living not just for the big two, but for companies with a more modest stake like Wolf (the only company which also makes a power tool range), Stanley, Rollcut, Bulldog, Jenks and Catell.

Overall, the customary equation of rain with profits is questioned by Mr. Gerry Wartho, Spear's marketing manager. His theoretical belief is that rain may encourage all those who fear public opinion to scythe down offending grass, but discourages the amateur from doing much more. Dr Bush of Wilkinson does not see the same effect, but admits that much of his company's growth has probably come from taking other companies' market share.

Both power and hand-tool makers alike agree that there is fair growth in the "leisure" end of the business—where powered tools shade into garden furniture—stone lions, marble nymphs and miniature swimming pools. Most appear to have no intention of going down that broad and easy road, however. They want to stick to their straight and narrow, engineering or forging path. That kind of thing is obviously best left to the Germans. Emulation of their habit of relaxing in the garden could well lead to the concomitant habit of working in the workplace.

Weekend Brief

Why Mark McCormack thinks that Bjorn Borg will win yet again . . . pop goes to Moscow . . . Hardy Amies at 70.

McCormack ons his will win

te's are quoting him at ; William Hill gives him ɔ four and Mark McCor- ays he's a cert. If I betting woman I'd take IcCormack's advice and money on Bjorn Borg to ⁝ Wimbledon stakes next A tip from McCormack is form is about as good from the horse's mouth. that McCormack isn't of course. For the past years the founder and ın of the International ment Group of sports ıon companies has been agent, business manager ıncial adviser. He's con- hat Borg is going to take rth straight Wimbledon

ś very keen to establish our consecutive wins —at only 23. A record hat would never be ı. He certainly doesn't ıe money though—win- Wimbledon will mean to him financially." ·r. despite his conviction ırg will walk away with ıe McCormack concedes ; protege is going to take ırnament "one game at The first match is the nportant. Tom Gorman ɔd fast-court player. Last ɔrg's first match was very ıdeed." McCormack will, interests of IMG, watch f tennis during Wimble- eek—Virginia Wade and rker are both his clients. lbrokes are quoting a at 16-1 this year, the ıdds they gave her two ıgo when she won. She that's a good omen—so

ıis stars John Newcombe ɔd Laver are also from :Cormack stable, as are Arnold Palmer and Player, skier Jean-Claude cricketer Greg Chappell, driver Jackie Stewart, 38 other stars of sport, screen and even com- ıtions media (he signed Michael Parkinson and Rippon last year) ; IMG the biggest sports tion organisation in the McCormack himself to be the world's most ul man in professional

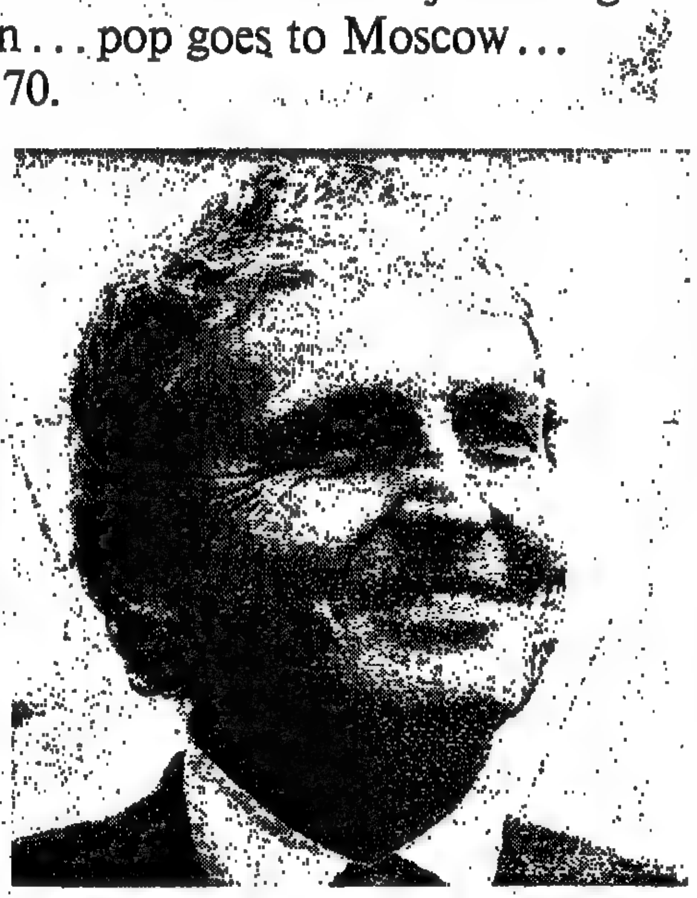
started his career as a ın Cleveland, Ohio, ; golf at weekends with ɔ superstar Arnold :. "I used to give Arnie on the legal aspects of ɔf his endorsement deals ·entually he asked me to ; manager. Gary Player next. Then Jack us." Suddenly the Inter- al Management Group ed off.

n golf, he moved to . then to skiing. Now it's ɔort, or any star that has ırship potential. Last year ıved into boxing, signing big one: Mohammed Ali. ly wish I had got hold of :fore he started fighting. ıen at this stage I know n organise a lot of deals ɔll make a lot of money n, and a lot of money for

making a lot of money for McCormack has become a millionaire many times over. He takes a handsome percentage of his clients' endorsement and promotional fees, but says the care and advice he gives them more than compensates. "I know some people call me Mark the Knife, but none of my stars complain. They know they're getting value for money."

McCormack certainly seems to work for the 10 to 50 per cent out he draws from his superstars. His day generally starts with a business meeting over breakfast at 7 am, preceded always by a jog at 5.30 am. When he's in London he runs through the street of Knightsbridge near his Cadogan Square apartment. For relaxation he plays a little tennis, and, he says, not enough golf.

"I used to be a scratch golfer but now I'm on about a four. I like to tell myself its just through lack of practice. After Wimbledon I'm going to spend a couple of weeks playing golf at Gleneagles and Turnbury. I hope to get my handicap back down again."



Mark McCormack: odds are in favour of winnings all round

Hardy Amies and the elegant loo brush

Anyone distressed by the news that Hardy Amies, that eternal guardian of the British fashion, *is 70 in a matter of weeks* might be comforted by the impressive appearance of Amies himself. While those of us who developed our fashion taste with Amies as the oracle may be fattening around the waistline and slowing in our pace, the oracle itself is as trim and spritely as ever, his fashionably narrow string tie, pleated trousers and short-collared button down shirt, sitting on a figure seemingly unbothered by the passing years.

Amies' commercial activities have for some time been under the umbrella of Debenhams, which giant must be somewhat pleased by the popularity of the Amies line internationally these days. Latest reports indicate that the Amies name pulled in some £400,000 in licensing fees in the 12 months to spring of this year, a quarter of that from the U.S.

The high fashion side of the Amies business—witness the Queen at Ascot this week—is complemented by a broad ranging design activity that include everything from ties to towels. Soon Marley Extrusions is to launch a range of Amies designed bathroom items, including much to his amusement an Amies loo roll. But the main Amies international reputation comes from menswear. For example, he reckons that 55 per cent of New Zealand men wear suits in whose design he has had a hand.

Amies is an entertaining mixture of pride in his ability as a tailor and modesty about being in the right place at the right time when what he calls "the peacock revolution" took place after the war and made men conscious of their appearance. Amies' link up with Hepworths in the UK is now nearly 20 years old and since then the Amies name has found its way onto sales stands the world over. The Japanese are particularly enthusiastic — in Tokyo you can buy Amies umbrellas and Amies bags.

Like the rest of us, however, Amies has been caught to some extent by recent changes in menswear. With the sudden swing to shorter shirt collars he is bemoaning the fact that he cannot afford to revamp his wardrobe "with silk shirts costing £35 a time." Somehow, however, he struggles through, and in a *few days* time is off on a two month tour of foreign markets.

The main task of the trip is to advise his franchise holders on what to expect from the male fashion world over the next two years. Debenhams meanwhile are taking a longer view. Already having control of the Amies companies it has now signed up the man himself on a life-time contract. The way he was looking on a balmy evening earlier this week that could mean a very, very long time.

How Leo Sayer aims to go East

Mr. Brezhnev could soon be singing "I'm a one-man band," and in the original Leo Sayer version, too. For Chrysalis Records has just sold Sayer, a diminutive doyen of the British rock scene who now spends much time in the Californian sun, to the Soviet Union. This particular exchange involves music rather than dissidents and is part of the Russians' acceptance of western pop music. Their young people listen to it anyway, so why not get some kudos for the Government by supplying it officially?

In recent years a trickle of British artists has appeared in the Soviet Union, most recently Cliff Richard and Elton John, but it has been harder to get their records accepted. EMI succeeded with Wings and now Chrysalis has done a deal with Mezhdunarodnaja Kniga which has Leo Sayer released on the Melodya label, the biggest in the country, and the only one. Unlike the ultra competitive, if not unethical, UK record scene there is no fighting for a place in the charts in the Soviet Union. MK decides how many records are needed and presses them. Every artist is sure to sell out, so keen is the Russian enthusiasm for music. Indeed it is now the fourth biggest record market in the world.

Leo Sayer's album *The best of Leo Sayer* will probably rate an edition of 250,000 which is more than it has sold in the UK, but the financial return will not be nearly as great. The Russians are hard bargainers, and it has taken Des Brown, Chrysalis International Director, three years to set up the deal. The initial cash gain is small; the potential is enormous. One problem for Brown and Chrysalis is that the Russians will be expecting to market their artists in the UK. There will be no problem with the classical music repertoire on the Melodya label but on the pop side Chrysalis will be insisting on English lyrics and western producers before the tops of the Russian pops get the chance to plug *Don't cry for me Vladivostock* on British televison.

Sir Harold and a new reel for film-makers

It looks like being a hectic week for the film business. Although Sir Harold Wilson was to set the ball rolling with the unveiling of his report on, and recommendations for, the future of the UK large screen industry he has now moved the date on until Thursday. He thus lets the new James Bond picture (U.S. cash, British stars, French locations) provide the opening number.

What is intriguing, of course, is what notice Government will take of the Wilson report. For Mrs. Thatcher, however, I bring tidings of encouragement, for it seems Sir Harold has taken a singularly capitalistic view of the cinema's future.

Contributors:
Robyn Wilson
Antony Thorncroft
Arthur Sandles.

Economic Diary

TODAY—Mr. Nicholas Edwards, Secretary for Wales, at Wales Conservative Conference, Metropole Hotel, Llandrindod Wells.

MONDAY — Mrs. Margaret Thatcher, Prime Minister, meets Trades Union Congress economic committee at Downing Street to discuss Budget, to be followed by statement from Mr. Len Murray, TUC general secretary. Quarterly analysis of bank advances (mid-May). National Union of Railwaymen conference opens, Oldway Mansion, Paignton (until July 7). TUC—Labour Party Liaison Committee meeting, Congress House, London. Sir Keith Joseph, Industry Secretary, speaks on "Why Industry Matters," Industry Society, 3, Carlton House Terrace, London. Local authority white collar workers' pay talks resume. EEC Fisheries Council meets, Luxembourg. National Food Survey report on consumption (1st quarter). British Medical Association conference opens, Liverpool University (until June 29).

TUESDAY — Mrs. Margaret Thatcher leaves for Tokyo to attend Thursday's world economic summit. Unemployment and unfilled vacancies (June provisional). Organisation of Petroleum Exporting Countries meeting opens, Geneva. Statement by Sir Harold Wilson on report on financing film industry. Confederation of Shipbuilding and Engineering Unions conference opens, Winter Gardens, Llandudno.

WEDNESDAY—Second Reading of Finance Bill in House of Commons. TUC general council meets, Congress House, London. Labour Party national executive committee meets, Transport House, London. Sir Keith Joseph is guest speaker at British Institute of Management conference luncheon, London Hilton. Mr. Peter Walker, Minister of Agriculture, addresses Farmers' Club meeting, 1, Whitehall Place, SW1, 2.15 pm. Announcement by Institute of Economic Affairs on surveys on alternatives to state education and medical care. Society of Motor Manufacturers and Traders reports on plans for reducing petrol consumption of new cars.

THURSDAY — Two-day World Economic Summit opens, Tokyo. Two-day Financial Times conference on Domestic Banking opens, Dorchester Hotel, London. Energy Trends publication. Capital expenditure by manufacturing, distributive and service industries (1st quarter). Manufacturers' and distributors' stocks (1st quarter). Department of Employment Gazette.

FRIDAY—Queen visits Atomic Weapons Research Establishment.

UK COMPANY NEWS

Good second half lifts Scapa to record £8.8m

INCLUDING results of the Bury and Masco companies acquired in 1978, taxable profits of Scapa Group expanded to a record £8.79m for the year ended March 31, 1979 against £7.14m, with a second half contribution of £4.46m compared with £3.14m.

The directors state that the advance in profit would have been greater if it had not been for the strengthening of the pound against the dollar and other trading currencies during the period.

The national transport strikes in the last quarter also had an adverse effect on trading in the UK, but they are confident that the current year will show a positive advance.

Turnover for 1978-79 was well up at £69.35m against £52.36m. After SSAP 15 tax of £3.18m (£2.27m) net profit came through at £5.61m (£4.87m) giving earnings of 20.7p (22.7p) per 25p share.

The dividend is stepped up to 6.25p (5.44225p) net with a final payment of 3.55p.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Andersons' Rubber	2.7	July 26	0.95	3.3	1.55
Anderson Strathclyde	2	Aug. 3	1.53*	3	2.36*
E. Austin (London)	2.96	July 26	2.57	4.38	3.85
Bisichi Tin	0.32	Aug. 22	0.29	0.32	0.29
Brunner Trust ....int.	2.15	Aug. 3	1.85	—	4
Cardiff Malting ....int.	0.6	Aug. 7	0.5	—	1
Charter Tst. & Agcy. int.	0.83	Aug. 17	0.75	—	2.45
Continental & Indus.	4.7	—	4.15	7.2	6.4
Electra Inv.	3.6	July 31	3.5	5.8	5
Finance & Ind. Tst. int.	1.2	July 31	1.1	—	1.1
Grange Tst. ....int.	0.95	Sept. 7	0.86	—	2.4
Highgate and Job	Nil	—	1.5	Nil	2.5
Rivington Reed	2.61	—	2.77	4.42	4.42
Scapa	3.55	Aug. 24	3	6.25	5.44
Triplex	3.6‡	Aug. 8	3.06	5.36	4.68
Utd. Guarantee ....int.	0.23	July 27	—	—	0.2
Victoria Carpet	1.1	Aug. 16	0.97	1.6	1.41
Wharf Mill	nil	—	0.81	0.6	1.42
B. & W. Whiteley	1.25	—	Nil	1.25	Nil

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ Corrected.

● comment

Scapa's results show a recovery from the 7 per cent downturn of 1977-78. But despite the overall 23 per cent increase this time, margins are again eroded on a sales gain of nearly a third. This is not surprising, considering Scapa's susceptibility to currency movements—with two-thirds of its sales generated overseas—the *strength of sterling* probably cost profits £½m — and the transport strike which has hit in particular, its industrial textile division. Exports rose to £15m (£12m) with steady market demand, while the paper machine felts business has also done reasonably well. Overseas operations were slightly better as suggested by the marginal rise *in the overseas tax charge.* Overall UK activities provided some 52 per cent of group profits with N America accounting for about 41 per cent last year. The shares at 102p, unchanged, yield an attractive 9.3 per cent on a p/e of about 5 on published earnings.

Whiteley back to dividends

Following the recovery from losses of £66,496 to a £170,190 profit at halfway, B. S. and W. Whiteley finished the year to March 31, 1979 with a profit before tax of £347,324 compared with a £265,209 deficit in the previous year.

Earnings per share are stated at 3.92p against a 4.43p loss and the directors *have resumed dividend* payments with a single 1.25p—the last payment was the 0.5p final in 1976-77.

Turnover amounted to £6.19m compared with £5.28m. Tax takes £181.768 (£103.799 credit) and attributable profit is £169.116 *compared with a loss of £144.427.* There is also a special credit being a £8,680 (£7,211) surplus on redemption of debenture stock.

● comment

Whiteley's second half pre-tax figure of £168,504 does not quite match the interim profits but it is sufficient to suggest the group is consolidating the turnaround from the £265,000 loss recorded in 1978. The domestic market was flat but price increases meant that overheads were recovered. On the export side *value of saes rose from around* £2.5m to £3.1m, reflecting a sight increase in overseas market share. But there is little sign of any change in the depressed world demand for electrical generators and generating equipment (the main market for Whiteley's *insulating* pressboard) so the best that can be expected in the coming year is a consolidation of the recovery. The shares at 27p, are on a stated p/e of 6.6 and a yield of 6.9 per cent.

Recovery seen by Highgate & Job

THE DIRECTORS of Highgate and Job Group, marine and animal oil refiner, protein meal producer, report a pre-tax loss of £123.353 for the year ended March 31, 1979, against a £106.267 profit, but they expect the group to trade profitably in the current year.

Turnover fell from £10.2m to £9.57m and, as well as the interim, the final dividend has been omitted—last year's total was 2.5p.

At halfway losses of £108,000 (£103,000 profits) were revealed, and the directors said it was *unlikely* that first-half results would be substantially changed for the better, at the year-end.

They now explain that trading difficulties continued into the *second half, exacerbated by the* drivers' strike and the adverse weather.

There was a tax credit of £68,751 (£55,356 charge) for the year and the attributable loss emerged at £53,203 (£50,911 profit). Loss per 50p share is given as 5.9p compared with earnings of 5.5p.

Vickers makes progress

Vickers, the engineering and office equipment group, has made, "some significant progress" over the question of receiving fair compensation from the Government for the nationalisation of its shipbuilding and aircraft interests.

Lord Robens, the chairman, told shareholders at yesterday's annual general meeting, that the group hoped the matter "will now be accelerated with the change of Government."

Rivington Reed cuts final dividend as profits slump

FOR the 53 weeks to March 31, 1979, pre-tax profits of Rivington Reed slumped from £1.09m to £351,000. At the interim stage the directors forecast an increase *of 10 per cent in the final dividend.* In the event the total payment is held at 4.422p with a lower final of 2.607p net.

Historically the last quarter of the company's year is the most profitable. The directors *report* that this period was severely affected by nationwide industrial troubles in January and February.

The carpet division's profitability, in particular, failed to meet budgeted expectations. However, the directors point out that this *should* not detract from the pleasing performance of the rest of the group.

Turnover for the year was up from £12.83m to £23.16m and profit was struck after higher interest and expenses of £983,000 (£390,000).

Tax for the period took £96,000 (£126,000) and earnings per 25p share are shown to have fallen from 18.11p to 3.8p. After extraordinary losses of £1.07m (£262,000) there was an attributable loss of £810,000 (£702,000 *profit*).

The company operates as a carpet spinner and manufacturer, weaver, dyer, printer and merchant of man-made fibres.

● comment

Anyone who invested in Rivington Reed's recent convertible share issue may now be regretting the decision. The share price has dropped over 30 per cent to 44p since the issue was announced seven months ago and on the basis of yesterday's *result there seems little* basis for confidence that it will reach the 70p conversion price in the foreseeable future. The group is maintaining its dividend despite an attributable loss but it may not be able to do so for long. The balance-sheet is still very shaky, a first payment of £140,000 is due this year on the convertible preference stock (which the company says will definitely be paid) and the situation in the carpet industry is still deteriorating. The carpet division was marginally profitable last year, but the results must cast doubt on the advisability of recent investments in the industry. The chairman expects to announce decisions on this sector at the AGM. The shares stand on a stated p/e of 10.9 and yield 15.9 per cent, *reflecting the highly speculative* nature of the stock. Rivington may come right in the end and win handsome returns on cheap acquisitions, but there is certainly little sign of it at present.

Victoria Carpet profit up

From turnover of £15.01m against £12.2m, profits before tax of Victoria Carpet Holdings increased sharply from a depressed £126,198 to £700,381 in the year ended March 31, 1979. The first half had seen a recovery from losses of £13,990 to a £369,284 profit.

The year's profit includes £192,820 (nil) temporary employment subsidy and part re*covery of the Bond Worth Group* debt of £36,000 (£110,979 credit). Tax charge is £18,552, compared with a £15,506 credit.

The final dividend is stepped up from 0.9701p to 1.1p raising the total to 1.6p, against 1.4076p.

Andersons' Rubber declines

A SHARP second half decline left the profits of Andersons' Rubber Company down more than £20,000 in the year to January 31, 1979. The surplus *fell from £106,426 to £82,587* after a mid-term advance from £57,300 to £72,700.

But as forecast the group, which makes protective clothing, industrial rubber products and allied equipment, is paying a net final dividend of 2.7p. This more than doubles the total—from 1.552p to 3.3p.

The directors say the results fell well short of expectations. The company achieved its budgeted sales level in the nine months to October but in the final quarter sales were below the level the group hoped to attain.

In September when the group made a placing of 400,000 shares at 35p each, the directors said they were budgeting for an improvement in trading.

Turnover for the year was up from £3.12m to £3.54m. Net profit fell from £103,842 to £76,472 after tax on an SSAP 15 basis of £6,115 (£2,584).

Stated earnings per 20p share on an SSAP 3 basis are down from 11.54p to 7.56p.

E. Austin (London) improves

Profits before tax of E. Austin and Sons (London) improved slightly from £405,000 to £442,000 in the year ended March 31, 1979. Turnover amounted to *£5.28m, compared with £4.45m.*

After SSAP 15 tax of £43,000 (£8,000), earnings per share are stated at 37.64p against 37.41p. The final dividend is 2.9555p, raising the total from 3.849p to 4.382p.

Main activities of the group are in materials handling, warehousing, cleaning materials and oil.

ISSUE NEWS

Hargreaves rights to reduce borrowings

Shareholders in Hargreaves Group are being asked for a cash injection of around £4m to *reduce short-term borrowings.*

The money is being raised by a rights issue on the basis of one-for-three at 47p per share. It has been underwritten by Kleinwort, Benson and brokers are Hoare Govett.

Dealings in the new shares will begin in nil paid form on July 10.

The directors say that although it is too early to make a forecast, the current year has started well. However, the results of Hargreaves Fertilisers will reflect the adverse conditions which existed in the first quarter.

The dividend forecast for the year ending March 31, 1980 is not less than 2.142p net — an increase of about 10 per cent over the previous year, when profits amounted to £3.47m (£3.42m).

● comment

Over the past three years Hargreaves has spent more than £13m on capital projects, during which time borrowings were held at the manageable level of roughly 27 per cent of shareholders' funds. Now, it is asking for £4m to cut gearing to less than a tenth—but the company says it has no large projects in the pipeline. The most obvious *reason for the cash call, therefore,* is to reduce interest charges, which last year trimmed £0.65m off the pre-tax profits figure and reduced the percentage gain to a mere 1.5 per cent. So far this year trading has been difficult, but the results *will look* that much better with a smaller interest charge. The shares dropped 5p to 54p yesterday, which reduces the overnight discount on the new shares from 20 per cent to 13 per cent. The ex-rights yield is attractive at 10.9 per cent.

London listing for Weeks Petroleum

Just four months after deferring an application for a listing of its shares in the U.S., Weeks Petroleum, a Bermuda-based oil and gas exploration company, announces that it *proposes to apply for a listing,* by way of introduction, of all its capital on the London Stock Exchange.

Weeks, which operates out of Westport, Connecticut, said yesterday that the company's present listing on the Australian *associated Stock Exchanges will* be maintained.

The company decided against the U.S. listing because "the timing was not right."

Weeks' equity capital consists of U.S.$1m Convertible Preferred Ordinary shares of 10c each and *U.S.$3.8m Ordinary shares of 10c* each.

About 15 per cent of the ordinary shares and all of the preferred shares are listed on the Australian Stock Exchanges with the balance held by the *Weeks family* and their associates.

In Australia yesterday, Weeks shares were trading at A$2.60 each.

Weeks' main asset is a royalty stake in the Bass Straight offshore oil-gas fields. In 1978 net profits amounted to A$4.39m (£2.3m).

STC basis of allotment

The offer-for-sale of 15m ordinary 25p shares in Standard Telephones and Cables, a subsidiary of International Telephone and Telegraph of the U.S., was oversubscribed 11½ times.

More than 44,000 applications have been received for a total of about 188m shares.

Preferential applications have been received from 1,924 eligible employees in respect of 1,242,250 shares. Full allocations have been made in respect of such applications.

Because of the heavy oversub*scription* and the large number of applications the remaining hares have been allocated on the following basis:—200 to 2,500 shares are balloting for 200 shares; 3,000 shares get 200; 3,500—250; 4,000—300; 4,500—350; 5,000—350; 6,000—450; 7,000—500; 8,000—600; 9,000—650; 10,000 and over—approximately 7.4 per cent of amount applied for.

It is expected that lett ers of acceptance will be despatched on June 27 for dealings to commence on the following day.

Results due next week

Over the past two years Lonrho has reported only modest increases in profit but analysts expect growth to pick up in the current period. The first-half results, due out next Friday, will include a full six month contribution from the House of Fraser stake although it is not clear for what period the company will fully consolidate the newly-acquired SUITS. Analysts expect the main thrust to come from the UK although Dunford and Elliott is still only holding its own on the engineering side *and Brentford Nylons will be a* drag. They see increased profits from the overseas mining operations but a shortfall from sugar. Overall profits should be in the region of £102m (£93.6m) for the full year.

The *largest* question-mark hanging over the BAT Industries interim figures, due on Tuesday, is the impact of foreign exchange movements. Some analysts have scaled forecasts down to £230m pre-tax with this *in mind but the average estimate* is around £240m. BAT made £221m in the first half of last year and can expect a first-time contribution net of financing charges of around £8m from Appleton, meaning that the most pessimistic forecasters expect no organic profits growth. The group has clearly had a bad winter in the UK but cigarette price rises in the U.S. and Brazil should offset some of the foreign exchange problems, while the American retailing operations—Gimbel and Saks—had a good Christmas.

At the end of January, John Brown directors upgraded their full year forecast from £25m (made at the time of the rights issue in November) to £28m. Analysts are expecting the company to exceed this figure com*fortably but few have put a figure* on it other than to say it will be £28m plus. The comparable figure last year was £23.3m and, while the expected 1978-79 result represents a slow-down in the profit growth rate *of recent years, achievement* of the expectations means that the recovery is being consolidated. Two points analysts will be looking for in accompanying statement are confirmation that the bleak weather and the strikes of January/February have not significantly hampered the company plus an indication that 1979-80 will show further improvement.

Bad weather in January and February has prompted most city analysts to revise their original forecasts for Redland downwards. So preliminary results for the building materials group, due next Thursday, are estimated to be in the range of £44 to £48m (£39.4m) with a preference for the lower end of the scale. The weather is estimated to have cost the group around £2m in lost profits while the UK operations are likely to have been feling the pinch of generally slower demand for roofing tiles and bricks. After a first-half increase of about 25 per cent, growth in the domestic side for the full year will probably have eased off slightly for an overall figure of £16.5m (£13.8m). Overseas interests, supported mainly by the German-based Braas, should yield an estimated £17.2m (£16.2m) with associates turning up about £11m (£9.3m).

For the third year running Plessey is expected to report static results. Analysts' *fore*casts are pitched at around £44.5m. The company's main problem last year was at Edge Hill, home of its telecommunications business, where losses might have been as high as £8m compared to £3.5m in the previous 12 months. But the City is hoping that an improvement in profitability from the electronic systems division during the last quarter will have sustained overall profits. The results, due on Thursday, will consolidated ICL for only nine months: Plessey sold its 25 per cent stake in January.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Allan (Edgar) Balfour	Wednesday	1.2	3.13	1.2
Avana Group	Tuesday	0.5	0.5979	1.15‡
BAT Industries	Tuesday	4.4	10.121	4.84
Baileys of Yorkshire	Wednesday	1.0	2.643	1.1
BPB Industries	Wednesday	3.8	3.324	4.2
Brickhouse Dudley	Wednesday	0.7783	1.58012	0.8691
British Tar Products	Wednesday	0.5	1.304	0.575
Brown (John) and Co.	Friday	4.0	4.844	7.0
Brownlee and Co.	Thursday	0.5	1.79662	0.8
Caledonian Associated Cinemas	Monday	1.0	2.623	1.0
Cawdaw Industrial Holdings	Thursday	—	2.4579	
Chubb and Son	Wednesday	1.376	2.496	1.8631
Country Gentlemens Association	Monday		16.29	
Cropper (James) and Co.	Monday	0.5	1.0	1.0
Derritron	Tuesday	0.5	0.227	0.55
Durapipe International	Wednesday	0.962	3.117	1.588
Electrocomponents	Thursday	1.2	1.32579	1.5
Elliott Group of Peterborough	Monday		0.25	0.25
Equity Consort Investment Trust	Tuesday	1.98	4.8575	2.01
Evans of Leeds	Tuesday	0.5	0.809	0.5
Giltspur	Tuesday	1.0	1.9	1.2
Gresham House Estate Company	Wednesday	1.4	1.65	1.4
Halma	Tuesday	0.53333	0.13267	0.5333
Hicking Pentecost and Co.	Wednesday	2.3354	4.8643	2.8
Holden (Arthur) and Sons	Monday	1.0	2.25	1.5
Kleen-E-Ze Holdings	Monday	0.875	3.445	0.875
LCP Holdings	Tuesday	2.0	2.79	2.3
Leboff (S.) (Fobel)	Thursday	0.7683	0.9917	0.845
Marshalls (Halifax)	Monday	0.99	4.85	1.5
Melody Mills	Monday		3.243	—
M.K. Electric	Wednesday	2.96	2.89	3.3
Moss (Robert)	Friday	1.0	1.05858	1.116
Northern Goldsmiths Co.	Monday	0.85	1.2369	0.85
Paterson (R.) and Sons	Monday	1.0375	1.51	1.0375
Plessey and Co.	Thursday	0.48707	4.99336†	2.662
Powell Duffryn	Wednesday	3.5	6.5	3.9
Property Holding and Investment Trust	Tuesday	2.5	4.098	3.0
Rediffusion	Friday	0.875	3.916	0.875
Redland	Thursday	2.094	2.126	2.551
Renold	Thursday	2.6	6.9446	2.7
Renwick Group	Monday	—	1.0	1.0
Somic	Tuesday	0.8662	1.4566	0.9528
Stead and Simpson	Thursday	0.46	1.6493	0.7
Tranwood Group	Wednesday	—	—	
Walker and Staff Holdings	Monday	—	0.57437	—
Whitecroft	Monday	2.2	4.5	2.5
Wilson Bros	Monday	0.646	0.76847	0.7
INTERIM DIVIDENDS				
Blundell-Permoglaze Holdings	Wednesday	1.14	2.08	
Bond Street Fabrics	Tuesday	0.75	2.15	
CGSB Holdings	Friday	0.44	1.15116	
Caledonian Holdings	Wednesday	—	—	
Countryside Properties	Tuesday	1.005	1.675	
Cronite Group	Thursday	0.80437	1.85625	
Derby Trust	Tuesday	7.09	7.699	
First National Finance Corporation	Tuesday	—	—	—
Greenfields Leisure	Tuesday	0.8265	1.30799	
Hardys and Hansons	Wednesday	2.3	5.5	
Jackson (J. and H. B.)	Monday	0.5	0.51334	
Kenning Motor Group	Monday	1.75	2.88	
Lonrho	Friday	2.4	4.25	
M and G Dual Trust	Wednesday	6.0	7.1	
Nash (J. F.) Securities	Friday	2.5	3.275	
News International	Monday	2.225	2.74	
Norfolk Capital Group	Thursday	0.3	0.6	
Trident Television	Tuesday	0.932	2.227	
Vectis Stone Group	Monday	0.35	0.4785	
Whatlings	Thursday	0.9	1.967	
INTERIM FIGURES				
Dhamm Holdings	Tuesday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. † Directors announced a nil final dividend on May 2, 1979. ‡ Including second interim. § Second interim.

BIDS AND DEALS

Hawthorn wins approval: some M & G votes missing

BY CHRISTINE MOIR

At the special meeting of Hawthorn Leslie yesterday, shareholders gave the Board a mandate to buy Jedmond Engineers and its associate, Flash Fasteners, for £854,000.

Notwithstanding the opposition mounted by Davis Investment, a Jersey-based group headed by Mr. Tom Scrase (senior partner of stockbrokers Gittins), 893,000-odd shares were cast in a poll for the directors and 183,000 against —a majority of five to one.

By an unfortunate chapter of accidents, however, no votes were cast by M and G, which owns 25 per cent of the equity and had earlier said it would be backing the Board.

M and G's stake is split into five holdings. Three of them, in the names of pension funds, abstained from voting. The other two, amounting to 435,000 shares or 16 per cent of the equity, are held through Barclays Bank Nominees.

The bank, appointed Mr. Scrase as proxy for these shares, but instructed him to vote for the directors and against his own proposals.

In the event Mr. Scrase did not cast his proxy vote for those shares despite having been informed by Lloyds Bank of Worthing, the registrars who conducted the poll, of their existence.

He said after the meeting that he had cast only the votes which supported him because he believed the registrars would automatically count M and G's two holdings with the board's total.

The registrars did not do so because, technically, they were never cast.

Fortunately, the absence of M and G, did not affect the outcome of the vote and Hawthorn Leslie has gone ahead with the acquisition which is likely to be "only the beginning of the company's rebirth," according to Mr. Horace Law, the chairman.

DEVELOPMENT IN INDONESIA

A consortium has agreed to spend $17.5m on the development of five new oil palm plantations in North Sumatra, Indonesia. It consists of Anglo-Indonesian, M. P. Evans, McLeod Russel, Rightwise and Urogate.

The Indonesian Minister of Agriculture has given his approval in principle but detailed proposals are still subject to final consent from the Government of Indonesia.

The concession to be developed, which amounts to approximately 26,000 hectares, was granted to Anglo-Indonesian in 1971 by the Indonesian Government. It is proposed that 18,500 hectares be allotted to the consortium members as follows:—Anglo-Indonesian 3,000, M. P. Evans 2,500, McLeod Russel 7,500, Rightwise 3,000 and Urogate 2,500.

The remaining 7,500 will be made available for a smallholder development.

Panel clears Aurora

The Takeover Panel has cleared Aurora Holdings of allegations of "warehousing" shares during its surprise bid *for Edgar Allen Balfour,* when it picked up a near 30 per cent stake in EAB in a matter of two hours in the market after the bid announcement.

In a joint statement last night the Panel and the Stock Exchange said there was "no evidence *of any failure* under the Code on the part of Aurora," and the inquiries "have been closed."

The Panel goes on to warn that it is a breach of the Code for a bidder "actively to encourage people to acquire shares in the expectation that this could facilitate a bid"—an action known as "warehousing."

Sale of North Sea interests will realise £32m for P & O

BY JAMES BARTHOLOMEW

The P and O Group will receive a total of £32m from BP for its North Sea oil interests which include a 15 per cent stake in the Beatrice Field. The deal was foreshadowed earlier this week.

Sale of the interests has been *under negotiation for many* weeks—a delay which has worked to the advantage of P and O since the rising oil price has increased the value of its stake.

Mr. Oliver Brooks, managing director of P and O, said yesterday that the Beatrice was "a risk investment" and that it was "outside the mainstream activities" of the group. Instead of having to supply more funds to develop the field, P and O would be able to reduce its borrowing and consequent interest charges.

He refused to say whether Mr. Sandy Marshall, the previous managing director who resigned in March had opposed the sale. The "policy differences" which led to his resignation have never been spelt out. This disposal is the biggest deal P and O has made since Mr. Marshall's departue.

P and O negotiated with "a substantial number of people" before reaching agreement with BP. The British oil major may have been able to offer more than some others because it can reduce its corporation tax charge on fields where *the oil is* already flowing.

The deal will increase P and O's reserves by £20m which will be treated as an extraordinary item in the 1979 accounts. P and O announced yesterday that it had completed another part of its retrenchment with the sale.

In April the British National Oil Corporation bought out the interest of Mesa group of America on a basis which would indicate a price of £15m for the P and O stake. BP is paying £23.8m for the "net equity" of the Beatrice stake (the other £8.2m is development costs).

But Mr. Q Morris, financial co-ordinator of BP, said yesterday that BP was not paying over the odds. The rise in the price of oil in recent months had changed the sums. The returns "*fal within our usual criteria,*" he said.

As a result of a succession of deals BNOC will emerge as the major shareholder in Beatrice with 28 per cent, Kerr McGee will have 25 per cent, Deminex 22 per cent, BP 15 per cent and Hunt Oil 10 per cent.

See Lex

Wickenden feels Furness has made the better case so far

Mr. Keith Wickenden, chairman of European Ferries and *Conservative MP for Dorking,* yesterday rejected suggestions that he was dissatisfied with the management of Furness Withy.

The suggestion that he might be dissatisfied had been made on Thursday by Mr. Frank Narby, chief executive of Eurocanadian Shipholdings, which together with KCA International is trying to gain an influence over the affairs of Furness.

Mr. Wickenden said yesterday: "This affair gets more unbelievable by the minute. I was spit*ting blood when I saw the* reports."

He was angry that his name and his company had been introduced into the manoeuvres of Eurocanadian and KCA without consultation.

"I am not qualified to criticise the detailed running of Furness Withy," said Mr. Wickenden. "I don't know the details of their business."

Replying to Mr. Narby's suggestion that the would make an ideal chairman for Furness, Mr. Wickenden said: "I have not got the time to run another company."

Mr. Wickenden's group holds a 5 per cent stake in Furness. His support for proposals which the Eurocanadian-KCA camp is presenting to Furness shareholders is being actively sought ahead of the Furness annual meeting next Thursday.

"We would like to sit on the sidelines but efforts have been made to draw us in," Mr. Wickenden said yesterday.

"We shall decide what to do either on the morning of the AGM or the night before. We hope to keep Furness and KCA and Eurocanadian guessing to the last minute, but so far Furness has made the better case than the other side."

Asked how Mr. Narby may have got the impression that he was dissatisfied with the running *of Furness, Mr. Wickenden said:* "He may have taken my polite interest in his proposals as assent."

HERON MOTOR

Shares of the Heron Motor Group were suspended yesterday at 56p, prior to an announcement that the directors had *received an approach* "which could lead to a merger of Heron with another company."

CAPLAN PROFILE SUSPENDED

Caplan Profile Group has asked *for its listing to be sus*pended temporarily.

The directors explain that certain proposals have been put forward which they require time to evaluate.

Consequently, they have asked that dealings be suspended for *a few days so as to avoid any* danger of rumour leading to a false market.

ARMSTRONG WILL NOT RAISE TERMS

The offer by Armstrong *Equipment for Jenks and Cattell* will not be increased, says Mr. J. H. Cooper, chairman of Armstrong, in a letter to shareholders. He says that the information in the letter from Jenks does not justify a higher price.

MINING NEWS

Geevor declares promised extra dividend

BY KENNETH MARSTON, MINING EDITOR

CORNWALL'S Geevor Tin Mines is declaring the extra dividend for the year to March 31 last of 3.14p net which was promised if UK dividend controls were not renewed. The payment brings the year's total to 8.71p against 5.035p in the previous year.

This increase has, of course, a bearing on the recently proposed rights share issue of one-for-five at 100p. It applied to holders registered on June 20 and it closes on July 13. At the current price of 148p for the existing shares the current dividend yield rises from 5.4 per cent to 8.4 per cent.

The new shares will not rank for the latest dividend and no forecast is given of likely results for the current year. But providing production is maintained, *the chances of a further dividend* increase are encouraging against the background of a tin price average so far this year of well over £7,000 per tonne compared with an average of £6,830 per tonne received in the year to last March.

Meanwhile, the mine is still in good shape and despite having been in business since 1911, Geevor looks to "the continuance of working for many years to come." The current rights issue is part of a £2m plan which will *raise ore milling capacity by* 50,000 tonnes a year; in the year to last March 119,000 tonnes were milled.

In his statement with the annual report the chairman, Mr. R. H. MacWilliam says that it is hoped to extend operations outside the present mining leases, although this would entail "considerable capital expenditure." Of other likely mining situations in Cornwall, two have been singled out for special attention but no definite commitments have yet been made.

Agnico-Eagle cobalt deal with Noranda

A NEW earnings source is near for Canada's gold-silver producing Agnico-Eagle Mines. At yesterday's meeting in Toronto the chairman, Mr. Paul Penna, disclosed that the company was in the final stages of negotiating an agreement with Noranda Mines for a mining development at the old Cobalt silver camp in Ontario.

As previously reported in this column, the attraction is the by-product cobalt which exists in *the area. In the old heyday of* the Cobalt camp silver was all the rage and cobalt an unwanted by-product. Nowadays cobalt is in strong demand, the price having advanced from around U.S.$6 to some U.S.$25 per lb in the past 12 months alone.

The deal will involve capital contributions by Noranda at various stages, allowing for expenditure already incurred, and the profits of the proposed mining operations will be split on a 51—49 basis between Agnico and Noranda.

CANADIAN ROUND-UP

Canada's antimony producing Consolidated Durham Mines reports profits in the nine months ended March 31 of C$525,000 (£209,700) compared with C$329,000 in the same period of the previous year. Third quarter profits were C$274,000 against C$71,000 a year ago.

* * *

First quarter profits of Dickenson Mines come out at C$837,000 (£334,000) or 23 cents per share against C$563,000 in the same period last year. Bullion revenue rose to C$3.1m from C$2.8m.

MPANY NEWS

SUMMARY OF THE WEEK'S COMPANY NEWS

ividend cut by Wharf Mill

Y loss in the second eased from £22,713 to left Wharf Mill Furnih a pre-tax deficit of for the year ended 1979 against a previous

directors are passing dividend—total for the 603p net per 10p share with 1.416p.

ate, however, that the ear has started signifitter than the corresperiod, although they inappropriate to foreher this improvement nue.

ay that while trading t half showed a modest ent, this trend was re- the second period as a part of severe weather which particularly he Pennine-based Lanores.

o redress this situation taken and the recon- completed.

r for the year was m £3.44m to £4.06m. gure was struck after 5.173 (£41,511), an ex- debit of £20,748 last was subject to a tax £105,541 (£40,922).

was an extraordinary the period of £29,899 per share is given as

Michael or nsion

re-tax profits for the nuary 27, 1979, ahead 301 to £76,095, the directors of John Michael (Savile Row) say that, following consolidation of the company's affairs, they are looking forward to a period of expansion.

At least six new shops will be opened before the end of 1979 and, subject to the availability of viable units, the directors intend to accelerate growth in 1980.

Tax for the year was £2,000 (£1,112) and after extraordinary items there was a profit of £544,958 (£99,557).

The company carries on business as a designer, manufacturer and retailer of menswear.

Sterling Industries on target

AS FORESHADOWED at the interim stage, Sterling Industries, light engineering group, achieved second half profits, at £446,000 against £459,000, not significantly different from those in the same period last year. This left the total for the March 31, 1979 year up slightly from £933,000 to £966,000, on turnover of £5.13m against £4.88m.

Profits were after crediting a net release from provisions in respect of contractual warranties amounting to £77,000 compared with a £91,000 charge.

Tax takes £500,000 (£485,000). Earnings per 2½p share were 2.878p against 2.71p and a final dividend of 1.0773p raises the total payout from 1.2831p to 1.4634p net.

ROPEAN OPTIONS EXCHANGE

ies	July Vol.	July Last	Oct. Vol.	Oct. Last	Jan. Vol.	Jan. Last	Stock
.344.20	2	2	—	—	[illegible]	[illegible]	F.348
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
F.146	64	0.60	5	2.20	52	2.90	
F.140	—	—	—	—	40	3.80	
VOLUME IN CONTRACTS					1717		

C=Call P=Put

Take-over bids and deals

Bouverie Properties, the subsidiary of the National Coal Board's Pension Fund, is to proceed with its $30 per share bid for **Continental Illinois Properties** after the latter's Board decided not to oppose the offer. Bouverie's bid topped an earlier $25 per share offer by Brabant N.V., a Dutch Antilles-based company.

Siemssen Hunter, the cigar importing and specialist publishing group, received an approach from an unnamed "acceptable outside source" which intimated that it wished to begin discussions about a possible association with the company.

Dealings in **Amalgamated Distilled Products** were suspended on Monday at 48p. ADP's directors said that discussions were in progress which may result in "an association with a third party," but the talks do not involve a general offer to ADP shareholders.

In dismissing **Armstrong Equipment**'s offer of 81p cash and share alternative, **Jenks and Cattell** describe it as "opportunist" and completely inadequate.

United Scientific is to purchase Ni-Tec of Chicago for a maximum price of $8.8m payable over two years. Ni-Tec design and manufacture second generation image intensifier tubes for night vision instruments.

Ladbroke paid £1.9m in cash for the entire issued share capital of a private company owning and operating the Penine President Hotel at Huddersfield.

Dorada Holdings, the motor vehicle and engineering concern, acquired three separate power saw manufacturers, Alexander Machinery (Dudley), Qualters and Smith Bros (of Barnsley) and Richard Haighton (also of Barnsley) for a total consideration of £1.45m.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
ACE Machinery	135	133	110††	2.07	F. J. C. Lilley	21/7
Allen (Edgar)	69½*§	65	63	9.63	Aurora Hldgs	11/7
John Bright¶¶	40½*	39	43	4.29	Largs	—
Farm Feed	95*‡	92	94	1.08	Consortium	—
Hardy & Co. (Furnishers)	122½§§	147††	114	8.04	Harris Queensway	—
Hardy & Co. (Furnishers) 'A'	112½§§	110††	82	14.6	Harris Queensway	—
Jenks & Cattell	81†§	93	67	1.22	Armstrong Equipment	—
Knott Mill	72	67	27	2.48	Ktchn. Queen	—
Morris Blakey	172§§	162	164††	2.63	A. G. Stanley	—
Morris Blakey 'A'	138§§	132	120††	1.48	A. G. Stanley	—
Sekong Rubber	£16	£15	£10	2.40	Majedie Invs.	—
Sheepbridge Eng.	104	93	66	36.8	GKN	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. ‖ Date on which scheme is expected to become operative. ** Based on 22/6/79. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Arbuthnot Latham	Mar.	1,126§	(1,030)§	11.3	(15.9)	10.42	(10.08)
Baker Perkins	Mar.	9,856	(8,932)	30.5	(28.8)	6.45	(4.3)
Beechwd. Const.	Mar.	704	(312)	10.5	(4.2)	2.07	(1.83)
Bradford Prop.	Apr.	4,670	(4,360)	29.6	(28.9)	9.5	(6.86)
British Steam	Mar.	2,890	(2,271)	22.0	(14.1)	5.21	(4.67)
British Vending	Dec.	377	(746)	3.5	(5.9)	0.57	(0.51)
Brown & Tawse	Mar.	3,800	(3,330)	30.7	(17.6)	5.37	(4.89)
Burnett Hlmshire	Mar.	3,530	(3,070)	52.5	(46.1)	3.25	(2.88)
Butterfield-Hrvy.	Mar.	2,761	(2,600)	15.1	(12.6)	2.8	(2.36)
Chmbrlain Phipps	Mar.	3,890	(3,190)	9.8	(8.0)	2.81	(2.16)
Cocksedge	Mar.	528	(604)	23.7	(28.7)	4.84	(3.79)
Dawson Intl.	Mar.	16,260	(15,530)	21.4	(22.2)	7.0	(1.88)
ERF	Mar.	3,340	(3,280)	45.1	(45.5)	3.4	(2.43)
Fairdale Textiles	Jan.	604	(481)	5.8	(4.4)	1.5	(1.16)
Ferranti	Mar.	9,900	(9,100)	42.4	(38.1)	5.75	(2.18)
Hambros	Mar.	7,120‡	(4,990)‡	33.6	(23.6)	109.2	(96.1)
Hargreaves	Mar.	3,470	(3,420)	11.1	(10.7)	3.59	(3.22)
Lindustries	Mar.	7,242	(6,833)	26.5	(24.4)	9.9	(9.0)
Lloyd (F. H.)	Mar.	3,416	(5,156)	10.4	(13.6)	8.12	(5.37)
Mansfield Brewry.	Mar.	3,230	(2,820)	38.9	(30.5)	8.5	(7.5)
Moran (C.)	Jan.	2,040	(1,760)	5.3	(4.9)	4.0	(3.7)
Nthrn. Securities	Mar.	346	(242)	5.5	(4.2)	4.0	(3.45)
Petbow	Mar.	1,197	(3,038)	10.4	(16.1)	4.5	(4.35)
Racal	Mar.	61,630	(49,830)	33.8	(26.5)	7.5	(3.88)
Shaw & Marvin	Mar.	43	(8)L	1.4	(—)	0.35	(—)
Sheepbdge. Engrg.	Mar.	4,466	(5,560)	9.3	(13.1)	4.74	(4.28)
Tecalemit	Mar.	4,607	(3,703)	20.2	(17.9)	6.25	(3.65)
Tesco Stores	Feb.	37,662	(28,562)	11.5	(9.2)	1.98	(1.63)
Triplex	Mar.	2,230	(2,642)	18.7	(19.5)	5.36	(4.68)
Tunnel Hldgs.	Mar.	6,575	(6,516)	29.1	(36.7)	12.5	(10.97)
Westbrick	Mar.	597	(331)	10.8	(—)	3.0	(1.5)
Wheway Watson	Mar.	910	(768)	3.4	(3.1)	1.0	(0.88)
Wilkinson Match	Mar.	19,002	(14,304)	34.4	(29.6)	11.37	(10.0)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Anglia TV	Apr.	2,020	(1,960)	1.57	(1.39)
Bakers Stores	Mar.	329	(219)	0.65	(0.3)
Barrow Milling	Mar.	219	(214)	3.64	(3.64)
Berisford (S. W.)	Mar.	16,100	(13,650)	2.5	(1.75)
Bluemel Bros.	Mar.	128	(190)	1.65	(1.65)
Carr (John)	Mar.	1,410	(1,360)	0.66	(0.33)
Crest Nicholson	Apr.	1,610	(1,005)	1.5	(1.5)
Davis (Godfrey)	Mar.	4,580	(3,530)	5.5	(3.43)
Dennis (J. H.)	Mar.†	123	(300)	2.11	(—)
Duple Intl.	Feb.	1,460	(1,090)	0.75	(0.33)
Fenner (J. H.)	Mar.	2,806	(3,641)	3.3	(3.0)
Flexello Castors	Mar.	427	(365)	1.41	(1.15)
Granada	Apr.	21,210	(16,210)	1.44	(0.95)
Hanson Trust	Mar.	12,500	(11,400)	3.33	(3.02)
Henlys	Mar.	2,130	(2,540)	3.0	(3.0)
Intl. Distillers	Mar.	14,230	(3,470)	—	(—)
Jones (Ernest)	Mar.	1,070	(869)	2.5	(—)
Lonsdale	Mar.	840	(747)	1.67	(1.34)
Record Ridgeway	Apr.	119	(860)	—	(2.0)
Tate & Lyle	Mar.	13,500	(10,500)	2.5	(3.1)
Trusthouse Forte	Apr.	19,200	(12,400)	3.0	(1.42)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † Seven months. ‡ Attributable profit. § Net profit after tax. L Loss.

Offers for sale, placings and introductions

Deltight: Placing of 313,030 ordinary 10p shares at 66p.

Scrip Issues

House of Fraser: One for five.

Rights Issues

Century Oils: One for four at 65p raising £1.375m†
Goldberg (A.) and Sons: One for three at 60p raising £2.562m†
Hanson Trust: One for two at 50p raising £16.969m†
Highland Distilleries: One for five at 88p raising £0.011m†
Holt Lloyd: One for five at 155p raising £3.112m†
WGI: One for four at 87p raising £1.16m†
† Approximate figures before expenses.

Anderson Strathclyde ahead: sees benefits from orders

PRE-TAX profits of Anderson Strathclyde, mining and industrial equipment manufacturer, finished the March 31, 1979, year at £4.06m against a previous £3.97m.

The directors say that benefits from orders received, for coal-face equipment, from China and other markets, should be realised in the current year.

Earnings are shown as 9.1p (8.7p) per 25p share, on increased capital, and the dividend is effectively raised to 3p (2.3583p) net with a final of 2p.

Turnover for the year was up £6.57m to £53.34m and pre-tax figure was subject to tax of £633,000 (£667,000).

The net balance of £3.45m was boosted by an extraordinary credit of £500,000 being the *release of the provision for* past service pension benefits, no longer required.

The directors state that the advance in profit for the year would have been greater had there not been exceptional expenditure amounting to over £400,000 on the development of new machines and equipment for North America and the home market.

Also, losses on exchange of £314,000 (£98,000) were incurred by overseas subsidiaries as a result of the upward movement of sterling, they add.

Interest charges rose substantially, as anticipated—£1.14m against £635,000—due to higher rates and to a higher level of borrowing, enabling the necessary build up of work-in-progress to satisfy the present record order book.

MANSFIELD BWY

A property revaluation at **Mansfield Brewery** has thrown up a surplus of almost £9.9m. The directors are now proposing a scrip issue for two-for-one.

Delson falls but forecasts recovery

Reporting a fall in pre-tax profits from £36,653 to £1,914 for the six months to January 31, 1979 the directors of Delson and Co. say that since the start of 1979 there has been a considerable upturn and full year results are expected to be in line with last year's £102,000.

The company are entering the interim dividend list with a payment of 0.5p net and the directors state that it is hoped that the total payment will be the same as last year's 1.6p.

First half turnover rose from £3.16m to £3.66m. Again there was no tax charge.

The company is a nut and bolt manufacturer and distributor.

Utico improves at six months

For the six months to March 31, 1979, Utico Holdings, tobacco-making subsidiary of BAT Industries, increased pre-tax profits from R2.95m to R3.34m, on turnover of R40.1m compared with R35.7m.

After tax of R1.27m, against R1.11m, earnings per share improved from 21 cents to 24 cents.

The directors' main financial objectives remain the conservation of liquidity, the improvement in the productivity of assets and the enhancement of the quality of earnings.

They say that it is the achievement of these objectives which will ensure both medium and longer term growth. Despite the "satisfactory" earnings improvement, they think it would be premature to conclude this achievement of objectives.

Therefore, the directors consider it prudent to pass the interim dividend in favour of reviewing progress of the complete 1978-79 trading period—no payments have been made since 1976.

It is proposed to alter the company's year-end.

Satisfactory result seen by Ldn. Sumatra

Present indications at **London Sumatra Plantations** are for a satisfactory result from this year's working, says Sir Arthur Hope-Jones, the chairman, in his annual statement.

He says the directors have every confidence that long-term plans for the development of the company's Indonesian estates can be realised, given stable conditions and fair prices. In 1979 programmes are proceeding according to plan and crops are generally up to estimates.

There will be particularly heavy outlays on maintenance of immature areas and additional manufacturing capacity to process an anticipated increase in crops. Plans for 1979 include a start on the second crumb rubber factory in Sumatra.

Pre-tax profits for 1978 were well ahead from £1,307,783 to £2,264,351—as reported May 31.

United Guarantee advances to £307,864 after six months

INCLUDING a £57,664 exceptional credit, pre-tax profits of **United Guarantee Holdings** advanced from £192,540 to £307,864 for the six months ended March 31 1979. Profit for the whole of previous year was a record £315,730.

The directors of this lubricants, fuel oil and heating services group say results were after taking account of many difficulties experienced as a result of oil supply shortages and cut-backs, the drivers strike, and distribution problems created by the bad winter.

Exceptional credit for the period was premiums received in connection with new business developments.

Turnover for the first half rose from £2.45m to £2.92m and tax took £160,089 compared with £100,121.

The directors are paying an interim dividend of 0.282p net per 5p share, and they anticipate recommending a final when results for the full year are announced—last year a single dividend of 0.202p was paid.

Five Oaks asks shareholders for support

Mr. A. A. P. Southall, chairman of Five Oaks Investments, has written to shareholders strongly urging them to vote against motions proposed by Mr. J. M. Peutherer to replace three members of the Board.

The motions were rejected at an EGM on June 15 but Mr. Peutherer demanded a poll.

Mr. Southall claims in his letter that the resolutions amount to "nothing short of a take-over of your company without a bid being made." Mr. Peutherer appears to want to inject his own investment properties into the company, suggests Mr. Southall.

The poll will take place on June 29 at Gainsborough House Hotel, Kidderminster.

Deritend hopes for recovery

Prospects for the current year are reasonable, and the manufacturing companies' order books are quite healthy, says Mr. D. J. Mead, chairman of Deritend Stamping Company, in his annual statement.

He is hopeful of profits returning to their former levels, somewhat in line with £1.75m achieved in 1977-78.

As reported on May 10, the taxable surplus of the manufacturer of forgings and pressings in ferrous and non-ferrous metals slipped to £1.36m in the year to February 28, 1979, on *turnover of £30.91m, against* £27.24m.

Exports increased by nearly 50 per cent to £3m, and the chairman expects this level to be at least maintained.

The investment programme during the year totalled over £1.5m; it is anticipated that it will be slightly lower this time.

Group fixed assets were up from £5.35m to £6.28m, while net current assets were marginally lower at £5.32m (£5.55m). Net bank borrowings increased by £1.47m compared with a £0.6m decrease previously.

At May 21, 1979, Britannic Assurance Company held 12.8 per cent of the capital.

Meeting, Droitwich, July 11 at 12.30 pm.

Two companies lift terminal bonus rates

Two life companies have announced higher rates of terminal bonus paid on with profit contracts which become claims either by death or maturity of the annuity vesting.

Gresham Life Assurance Society, the life company about to be acquired by the Dutch insurance group N. V. AMEV, is lifting its rate on new series policies from 20 per cent to 25 per cent of attaching bonuses at the date of claim. On old series contracts the rate is now £1 per cent of the sum assured for each year in force, subject to a maximum of 25 years. The previous rate was 80p per cent.

These rates come into force on July 1, 1979, and follow the rise to record levels made earlier this year to the reversionary bonus rates.

The **Marine and General Mutual Life Assurance Society** yesterday announced an immediate increase in its terminal bonus rates on death or maturity claims. The new rate is £1 per cent of the sum *assured for each complete year,* excluding the first three years, plus 50p per cent of the sum *assured for each complete year* up to December 31, 1977, excluding the first three years. The previous rates were 75p and 50p respectively.

The company increased its *reversionary bonus rates to* record levels earlier this year and Lord Denman, chairman of MGM Assurance said that the improved bonus rates enabled the company to share with policyholders the benefits of its successful investment policy.

J. N. Nichols sees continued expansion

Continued expansion for **J. N. Nichols (Vimto)**, mineral water manufacturer, is forecast by Mr. Peter Nichols, the chairman. In the year ended March 31, 1979 pre-tax profits rose from £782,062 to £1,274,715, on sales of £6.18m against £5.6m.

Although export sales were slightly down due to the lorry drivers' strike, incomes were boosted by royalty payments from canned "Vimto" in Saudi Arabia, and the Arabian Gulf.

Continental and Industrial up to £1.95m

Taxable revenue of **Continental and Industrial Trust** went ahead from £1.82m to £1.95m in the year to May 31, 1979. Net asset value per 25p share rose from 259.4p to 286.1p.

The final net dividend of 4.7p lifts the total from 6.4p to 7.2p.

Tax for the period takes £692,510, against £654,270, and stated earnings per share are up from 6.65p to 7.21p.

Ellerman Lines report delayed

Ellerman Lines says its report for 1978 will not be published until after June 30. The company depends upon getting figures from sources overseas, and this has caused the delay. The results will be considered by the Board and the preliminary announcement of the results will be made early in July. The report and accounts will be published shortly afterwards.

RESULTS AND ACCOUNTS IN BRIEF

CANADIAN AND FOREIGN INVESTMENT TRUST — Results for year to March 31, 1979 already reported. Investments £11.94m (£9.8m). Chairman hopes to see further increase in revenue this year. Meeting, 9 Bishopsgate, E.C., July 5 at 11.45 am.

SCOTTISH EUROPEAN INVESTMENT COMPANY — Results for year to March 31, 1979 already reported. Foreign assets, £7.05m (£5.1m). Purchased with investment currency, £1.33m (£1.68m). Sterling assets, £6.16m (£5.95m). Foreign currency loans, £5.86m (£4.78m). Meeting, Edinburgh, July 11.

FOSTER BROTHERS CLOTHING COMPANY—Results for year to February 28, 1979, with scrip issue, already reported. Fixed assets £20.38m (£15.79m). Current assets £19.12m (£14.15m) and liabilities £13.23m (£8.48m). Directors estimate market value of land and buildings exceed book value by some £15m. Meeting, Solihull, July 11 at noon.

CAPPER-NEILL (maker of pipework, process plant, etc.)—Results for year to March 31, 1979, reported June 1. Group fixed assets £8.19m (£7.72m), net current assets £17.4m (£9.7?m). Year end net liquidity up £1.05m (down £4.37m). Chairman says company started current year with strong order book and the future is viewed with confidence. Meeting, Manchester, July 11, at 11.30 am.

WESTPOOL INVESTMENT TRUST—Results for year to April 30, 1979, already known. Investments listed in UK £10.1m (£7.68m), elsewhere £5.01m (£5.36m), unlisted £0.31m (£0.23m), net assets £15.4m (£13.79m). Prudential Assurance Company at June 4 held 31.3 per cent; Legal and General Assurance Society, 21.1 per cent; London and Manchester Assurance Company, 8.8 per cent; and Sun Life Assurance Society, 6.4 per cent. Meeting, 120, Cheapside, EC2, July 10, at 3 pm.

HOLT LLOYD INTERNATIONAL (car care and aerosol products maker)—Results for year to February 24, 1979, already known. Group fixed assets £7.69m (£2.29m), net current assets £6.09m (£5.17m). Year end liquidity down £698,000 (up £751,000). Meeting, Wilmslow, Cheshire, July 11, at 3 pm.

ENERGY SERVICES AND ELECTRONICS—Results for 1978 already reported. Fixed assets £1.83m (£1.45m). Net current assets £1.57m (£0.1m). Chairman says increased profits from all companies expected this year. Financial position should again show considerable improvement. Meeting, Piccadilly Hotel, W, July 11, at noon.

JOHN BEALES ASSOCIATED COMPANIES (underwear and outerwear)—Results for year ended March 19, 1979, reported May 19 in full preliminary statement with prospects. Group fixed assets £2.68m (£2.41m), net current assets £4.71m (£4.49m). Working capital increased by £155,000 (£767,000). Meeting, Nottingham, July 13 at noon.

VINERS (cutlery and holloware)—Results for 1978 and prospects reported May 12. Group fixed assets £1.82m (same), net current assets £2.45m (£7.47m). Working capital increased by £495,000 (£39,000). Meeting, Sheffield, July 5, noon.

W. WILLIAMS AND SONS (HOLDINGS) (non-ferrous metal diecaster, founder, etc.)—Results for 1978, and share placing, already known. Group fixed assets £1.76m (£1.63m), net current assets £1.21m (£1.16m). Working capital increased £14,296 (£109,916). Meeting, Cardiff July 9, at 2.30 pm.

CANADIAN AND FOREIGN INVESTMENT TRUST—Results for year ended March 31, 1979, already known: Listed UK investments £8.32m (£5.65m), overseas £3.42m (£3.91m), unlisted at directors' valuation £290,238 (£249,276). Current liabilities £1.11m (£899,642), current assets £279,476 (£139,749). Meeting, 9, Bishopsgate, EC, July 5 at 11.45 am.

PARKLAND TEXTILE (HOLDINGS)—Results for March 2, 1979 year reported June 6. Group fixed assets £5.53m (£4.65m), current assets £14.91m (£12.48m), current liabilities £7.58m (£6.46m). At May 20, Rockland held 13.85 per cent of equity. Meeting, Leeds, July 12, 12.30 pm.

JERSEY GENERAL INVESTMENT TRUST—Results for year to April 30, 1979, already known. Investments at, or below, cost £7.5m (£7.6m), cash and short-term deposits £0.94m (£0.83m). Year-end working capital up £0.21m (down £0.09m). Meeting, Jersey, July 11, at 11.30 am.

DUNDEE AND LONDON INVESTMENT TRUST — Gross revenue £464,705 (£395,740) for six months to April 30, 1979. Pre-tax revenue £365,181 (£317,542) after interest £74,539 (£53,132) and management expenses £24,985 (£25,066). Tax £135,146 (£119,490). Net asset value per 25p share 101.9p (85.6p). Interim dividend 1p (0.9p).

TRIPLEVEST—Net asset value per capital share at May 31, 1979, 395¼p (352½p at February 28, 1979) after deducting debenture stock and income shares at nominal values.

ROWTON HOTELS—Results for 1978 reported June 9 in full preliminary statement with prospects. Group fixed assets £4.16m (£3.61m). Current assets £1.9m (£1.93m), liabilities £1.44m (£1.34m). Meeting, Calthorpe Street, W.C., July 12, at noon.

ASSOCIATED BRITISH FOODS GROUP—Results to March 31 reported June 12. Net current assets £100.6m (£100.8m). Group fixed assets £376.5m (£338.8m). Loans £103.02m (£87.6m). Taxable profits on current cost basis reduced from £78.9m to £51m (£43m). Committed capital spending £26.8m (£30.8m); uncommitted expenditure £21.9m (£21.6m). Meeting, Connaught Rooms, WC, July 12 at 11 am.

LUIS GORDON GROUP (sherry, wine and spirits importers and distributors)—Results for 1978 reported on May 26. Fixed assets £907,000 (£738,000). Net current assets £1.38m (£1.26m). Shareholders' funds £1.37m (£1.09m). Meeting, Caxton Street, SW, on July 16, at noon.

THOMAS LOCKER (HOLDINGS) (screening, filtration engineer)—Results for year ended March 31, 1979, reported June 13. Group fixed assets £6.04m (£5.64m). Net current assets £5.29m (£5.05m). Pre-tax profit reduced to £1.71m (£2m) on CCA basis. Net liquid funds decreased £172,000 (£328,000 increase). Chairman says group continues to approach future with confidence. Meeting, Warrington, July 19, at 11 am.

NORMAND ELECTRICAL HOLDINGS—Results for year to March 3, 1979, already reported. Fixed assets £4.24m (£2.67m). Net current assets £2.81m (£2.72m). Meeting, Kensington Palace Hotel, W, July 19, at 11.45 am.

PHILIP HILL INVESTMENT TRUST—Results for year to March 31, 1979, reported June 1. Investments listed at mid-market value, UK £120.63m (£100.49m), overseas £23.15m (£20.?7m); unlisted £2.61m (£2.03m). Uninvested funds increased £964,000 (£311,000). At year-end, Eagle Star Group held 19 per cent (19.1 per cent) of ordinary capital. Meeting, 8, Waterloo Place, SW, July 18, at 2.45 pm.

LONDON AND ASSOCIATED INVESTMENT TRUST—No dividend (same) for 1978. Profit £91,158 (£125,971), before tax £33,311 (£31,532), extraordinary debit £36,062 (credit £1,625). Earnings per 10p share 0.56p (0.91p).

ELECTRIC AND GENERAL INVESTMENT COMPANY—Final 1.2p net, making 1.85p (1.55p) for year to May 31 1979. Earnings for ordinary £422,855 (£337,386), after tax of £269,282 (£199,082). EPS 2.34p (1.87p). NAV per share 113.78p (101.6p).

INTERNATIONAL PAINT COMPANY (subsidiary of Courtaulds)—Results for year to March 31, 1979, already reported. Fixed assets £31.05m (£29.8m). Net current assets £48.3m (£42.94m). Meeting, 5 Henrietta Place, W., July 19, at noon.

LONDON PRUDENTIAL INVESTMENT TRUST—Results for the year to April 30, 1979, already reported. Valuation of Unquoted investments £6.46m (£4.6m). Quoted abroad £1.29m (£1.43m). UK unquoted £31,563 (£11,613). Unquoted overseas £104,592 (£124,413). Meeting, 20, Fenchurch Street, EC, on July 18 at 11.45 am.

CHARTER TRUST AND AGENCY—Gross income for six months to May 31, 1979 £1,070,632 (£566,213). Attributable to ordinary shareholders £548,835 (£277,689) after tax of £348,159 (£309,370). Earnings per 25p share 1.?0p (1.19p). Interim 0.825p.

LONDON AND BRUSSELS FUND—Final distribution on income units for year to June 19, 1979, will be 1.399p net (1.026p), payable on June 31, 1979. Total for year 2.084p net (1.363p).

GRANGE TRUST—Total income for six months to May 31, 1979, £325,567 (£292,109). Deduct interest £78,900 (£79,319). Management expenses £27,887 (£22,550) and tax £77,000 (£63,090) leaving £143,780 (£122,160). Net asset value after deducting prior charges at par 119.3p (104p). Interim 0.95p (0.86p).

DAVENPORT KNITWEAR—Results for year to December 31, 1978, already reported. Fixed assets £630,086 (£305,849). Net current assets £567,786 (£623,420). Chairman views present year's prospects with some concern. Meeting, Leicester, August 17, at 11.30 am.

CARDIFF MALTING—Turnover for half-year to March 31, 1979, £398,829 (£?2,354). Net profit £6,620 (£5,040), after tax £4,900 (£3,700). Interim 0.6p (0.5p).

BRUNNER INVESTMENT TRUST—Interim dividend 2.15p (1.85p) for 1978-79. For six months ended May 31, 1979 investment income £653,098 (£585,300), other income £17,591 (£21,190), total gross revenue £670,689 (£606,499). Expenses £139,710 (£107,154). Tax £178,463 (£178,263). Pref. dividend £7,875 (same). Net earnings for ordinary stock £334,641 (£315,207), equivalent per 25p stock unit 2.16p (1.97p). Valuation of investments (after deducting net current liabilities) £25.14m (£22.69m). Net asset value per stock unit 151.2p (135.8p).

Early firmness on Wall St.

INVESTMENT DOLLAR PREMIUM

\$2.60 to £1—37¾% (39¾%)
Effective \$2.1415 13¾% (14¾%)

A FIRMER TENDENCY prevailed over a wide area in active trading on Wall Street yesterday morning.

At 1 pm the Dow Jones Industrial Average was up 1.99 to 845.63, making a rise of 2.33 on the week, while the NYSE All

Closing prices and market reports were not available for this edition.

Common Index, at \$58.11, gained 20 cents on the day and 26 cents on the week. Rises led falls by an eight-to-five majority, while the trading volume totalled 24.8m shares.

Institutional investors were reluctant to be aggressive buyers, however, in light of uncertainty over what OPEC Ministers might decide on oil prices next week.

Zale climbed \$3 to \$21½—it will buy back 2m of its shares at \$22 each.

Mesa Petroleum surged ahead \$6 to \$60¼—it will set up a Trust for its stockholders to pay them a share in the Royalties of some of its properties.

British Petroleum added \$1 to \$26¾—it will buy the British North Sea oil development rights of Peninsular and Oriental Steam Navigation.

Indications were that Chrysler would open between \$10 and \$12½, against \$7¾ on Thursday, even though Volkswagen denied any plans to acquire it.

National Airlines were lifted \$1¾ to \$38½—Pan American World Airways pressed its arguments for approval to acquire National.

ITEL dropped \$1⅛ to \$10⅛ after forecasting a second quarter operating loss.

Aluminum stocks continued under pressure following bearish Press comment in London on the outlook for Aluminum prices.

Volume leader Bally Manufacturing fell another \$2¾ to \$41⅛—it will contest a New Jersey Rule prohibiting Casino operators from buying more than 50 per cent of their slot machines from one maker.

THE AMERICAN SE Market Value Index rose 0.11 to 199.94, making a rise of 2.75 on the week.

CANADA—All sectors moved higher in fairly active noon trading yesterday, when the Toronto Composite Index rose 7.1 to 1602.0.

The Metals and Minerals Index *put on 10.6 to 1371.4, Oil and* Gas 6.9 to 2831.9, Papers 2.54 to 171.63, Banks 2.13 to 303.60 and Utilities 1.98 to 235.30.

Asbestos Corporation trading was halted at \$46½—it has filed a suit in Quebec Superior Court to halt the expropriation of the company by the Quebec Government.

GERMANY — Firmer note in lively trading.

AUSTRALIA—Energy related stocks led markets higher, although trading in Industrials cautious due to industrial stoppages, forthcoming National Wage Case and OPEC oil meeting.

JOHANNESBURG — Gold shares harder in line with bullion prices, following strong overseas demand.

TOKYO—Slightly lower in mixed trading. Volume 460m (400m) shares.

SWITZERLAND — Steady to firmer.

Except for Export shares volume significantly larger than in recent weeks. Weakness of dollar attracted Foreign funds.

Banks, Insurances and Financials pointed upwards.

Foreign Bonds higher, Domestic Bonds barely steady.

U.S. stocks featured by Chrysler which rose SwFr 3 to 16 on rumours of a takeover by *Volkswagen despite denials by* both companies. German issues mixed, Dutch Internationals steady.

HONG KONG—Lower on local liquidations centring on Properties. *Public offer of 30m HK\$1 shares in Far East Hotels oversubscribed by 10 per cent largely disregarded.*

BRUSSELS — Prices edged mostly higher in fairly quiet trading.

Wagons Lits held unchanged despite better first quarter results.

German, French and Dutch stocks improved, Canadian and U.S. irregular, UK little changed. Gold Mines also little changed.

AMSTERDAM—Mostly higher. State Loans steady to slightly higher.

MILAN—Mixed to lower in selective but fairly active trading.

Insurances, Banks and leading Financials showed fair gains. Leading Industrials mixed.

Bonds quiet with small gains.

PARIS—Market firmed in active trading, helped by technical factors and united stand of nine EEC countries on oil conservation.

Cit-Alcatel rose Frs 10 to 1,020 on higher group 1978 profits.

Oils continued firmer on rise in petrol and domestic fuel prices.

Transports lost ground.

Foreign stocks broadly firmer.

Indices

NEW YORK—DOW JONES

	June 21	June 20	June 19	June 18	June 15	June 14	1979 High	1979 Low	Since Compil'n High	Since Compil'n Low
● Industr'ls	845.64	838.83	838.40	839.40	843.30	842.54	878.72 (18/4)	807.00 (27/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds	85.48	85.47	85.25	85.36	85.51	85.26	85.90 (2/2)	82.32 (8/5)	—	—
Transport.	249.02	258.48	240.11	233.75	240.80	241.09	241.87 (12/6)	205.78 (27/2)	279.88 (7/2/69)	12.23 (8/7/32)
Utilities	106.31	105.56	105.66	105.55	105.28	105.07	105.76 (15/6)	98.51 (15/5)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol 000's	37,210	33,810	30,800	31,150	33,010	37,370	—	—	—	—

● Day's high 847.80 low 837.40

Ind. div. yield %	June 15	June 8	June 1	Year ago (approx)
	6.01	6.07	6.16	5.58

STANDARD AND POORS

	June 21	June 20	June 19	June 18	June 15	June 14	1979 High	1979 Low	Since Cmpil't'n High	Since Cmpil't'n Low
‡Indust'ls	115.50	112.73	112.70	112.88	113.34	115.61	116.88 (9/1)	107.08 (27/2)	134.64 (11/1/73)	3.53 (30/6/32)
§Composite	102.09	101.63	101.58	101.66	102.09	102.25	103.34 (10/4)	96.13 (27/2)	125.85 (11/1/6)	4.40 (1/6/32)

	June 20	June 13	June 6	Year ago (approx)
Ind. div. yield %	5.30	5.24	5.28	5.07
Ind. P/E Ratio	7.91	7.98	7.93	9.11
Lon Gov. Bond Yield	8.87	8.81	8.95	8.52

N.Y.S.E. ALL COMMON

June 21	June 20	June 19	June 18	1979 High	1979 Low
57.91	57.65	57.58	57.56	58.18 (10/4)	53.88 (27/2)

Rises and Falls

	June 21	June 20	June 19
Issues Traded	1,893	1,914	1,896
Rises	873	777	741
Falls	567	633	704
Unchanged	453	504	451
New Highs	62	49	40
New Lows	12	12	16

MONTREAL	June 21	June 20	June 19	June 18	1979 High	1979 Low
Industrial	272.80	268.79	267.78	268.51	272.80 (21/6)	218.19 (2/1)
Combined	268.04	265.87	265.94	266.38	269.94 (21/6)	226.80 (2/1)
TORONTO Composite	1594.9	1592.2	1578.2	1577.2	1594.9 (21/6)	1315.8 (2/1)
JOHANNESBURG Gold	295.1	298.1	295.5	297.6	298.1 (21/6)	228.4 (17/4)
Industrial	283.4	285.4	285.08	282.8	358.8 (25/5)	278.5 (2/1)

		June 21	Pre-vious	1979 High	1979 Low
Australia	(¶)	564.42	554.06	597.08 (18/3)	545.72 (2/1)
Belgium	(‖)	105.12	105.04	103.09 (5/6)	98.80 (5/1)
Denmark	(**)	95.64	95.32	97.22 (10/6)	89.33 (8/1)
France	(††)	86.0	84.8	85.0 (21/6)	71.5 (15/3)
Germany	(‡‡)	720.8	723.0	836.6 (15/1)	719.4 (7/6)
Holland	(§§)	71.8	72.1	55.9 (24/1)	71.3 (7/6)
Hong Kong	(¶¶)	554.89	559.24	563.90 (6/3)	495.83 (2/1)
Italy	(‖‖)	78.16	78.61	80.01 (4/6)	68.38 (2/1)
Japan	(a)	446.78	445.51	462.97 (31/1)	436.33 (10/4)
Singapore	(b)	382.78	386.12	404.13 (28/6)	346.34 (23/2)
Spain	(d)	98.88	98.87	111.96 (8/5)	93.03 (12/1)
Sweden	(e)	383.40	383.54	401.34 (6/2)	343.24 (30/5)
Switzerl'd	(f)	306.8	306.5	339.1 (2/5)	294.0 (3/1)

Indices and base dates (all base values 100 except NYSE All Common—50; Standards and Poors—10; and Toronto 300—1,000; the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport. ¶ Sydney All Ordinary. ‖ Belgian SE 31/12/63. ** Copenhagen SE 1/1/73. †† Paris Bourse 1961. ‡‡ Commerzbank Dec. 1953. §§ Amsterdam Industrial 1970. ¶¶ Hang Seng Bank 31/7/64. ‖‖ Banca Commerciale Italiana 1972. a Tokyo New SE 4/1/68. b Straits Times 1966. c Closed. d Madrid SE 29/12/78. e Stockholm Industrial 1/1/58. f Swiss Bank Corporation. u Unavailable.

THURSDAY'S ACTIVE STOCKS

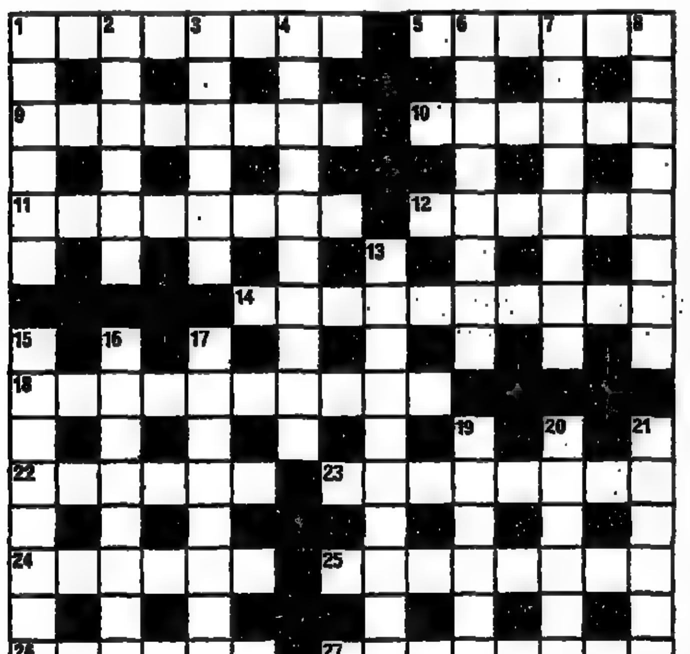
	Stocks traded	Closing price	Change on day
Caesars World	958,400	32	−2⅛
IBM	449,200	73½	+ ⅜
Bally Mfg.	436,300	43⅞	−3½
W. E. Heller	371,600	27	− ⅞
NLT	364,500	35	−1¼
Tandycrafts	353,000	6⅝	+ ⅜
Cap. Hldg.	343,500	23¾	—
Goodyear Tire	318,200	16⅝	− ⅛
Howard Jhnsn.	317,600	14⅝	+ ⅛
Monsanto	316,800	50	−3¼

F.T. CROSSWORD PUZZLE No. 4,003

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



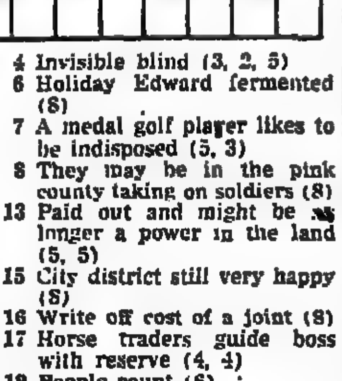
ACROSS

1 Out of date boy goes west (6, 2)
5 Stars fail examination (6)
9 Want Mark to go to town (8)
10 Fighting study of superintendent (6)
11 Long-term prisoner seen towards back of floating refuge (4, 4)
12 Footballers in Scotland involved in suit (6)
14 Price of ordinary ticket for plain food (6, 4)
18 Recover before cards dealt become available (4, 2, 4)
22 Read it perhaps as invective (6)
23 Going to join eastern combine at present (8)
24 Make a mistake with noughts in exam (6)
25 Money one accountant makes from vegetables (8)
26 Threatens king of Europeans we hear (6)
27 Accommodation catcalls deflated (4, 4)

DOWN

1 Instrument for a pound is a nuisance to the French (6)
2 Groups of people working for county (6)
3 Agitated once concerning request for more (6)
4 Invisible blind (3, 2, 5)
6 Holiday Edward fermented (8)
7 A medal golf player likes to be indisposed (5, 3)
8 They may be in the pink county taking on soldiers (8)
13 Paid out and might be no longer a power in the land (5, 5)
15 City district still very happy (8)
16 Write off cost of a joint (8)
17 Horse traders guide boss with reserve (4, 4)
19 People count (6)
20 One is surrounded by last building ornament (6)
21 Shocked when Georgia turns up with funny hats (6)

Solution to Puzzle No. 4,002



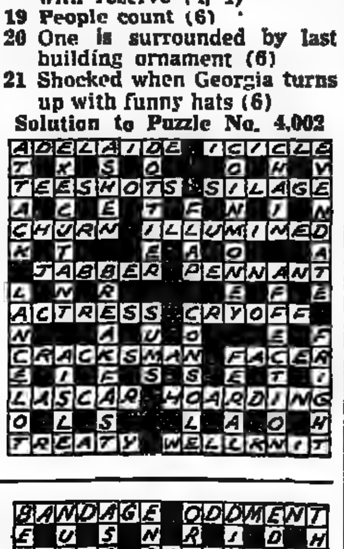
SOLUTION AND WINNERS OF PUZZLE No. 3,997

Following are the winners of last Saturday's prize puzzle:

Mr. A. B. Beesley, 76, Derwent Road, Wolverhampton, WV6 9ES.

Mr. D. U. T. Graves, 73, Cunliffe Close, Oxford.

Mrs. B. Kay, 18, Hanging Green Lane, Hest Bank, Lancaster.



RACING **BY DOMINIC WIGAN**

Celtic Halo best for Fortnum Stakes

LESTER PIGGOTT, who enjoyed yet another outstanding Royal Ascot, scored a double at the Heath meeting a year ago through Noble Quillo and Imperial Fling. I expect him to do it again, this time on Celtic Halo and Imperial Dilemma.

Celtic Halo, who bids for his second course and distance victory, in the five-furlong Fortnum and Mason Stakes, has taken a while to come to hand.

ASCOT

2.00—Eric Stuart
2.30—Imperial Dilemma
3.00—Celtic Halo**
3.35—Volcanic*
4.10—Sea Ballad
4.40—Gin Game***

He is now back to his best and will undoubtedly go close under 8 stone 4lb, even so Piggott will have to put up a couple of pounds overweight.

Imperial Dilemma, a newcomer trained by Harry Thomson Jones, has been striding out in impressive style in recent gallops. He should take the Fenwolf Stakes before going on to better things. A year ago this race went to another newcomer, Contralto.

For the best bet of the day, I turn to a two-year-old handled by Contralto's trainer, William Hastings-Bass. This is the bay Red Alert colt Gin Game, owned by Michael White. He ran a particularly promising race in Newmarket's May Maiden Stakes on his only previous appearance. He lead his rivals until tiring a furlong and a half out to finish third behind Sir Samuel. With that experience behind him, Gin Game will prove extremely difficult to beat.

Although Volcanic was not that impressive when having to be driven all-out to land Chester's Grosvenor Stakes, I *shall be relying on him in the* Churchill Stakes as he had previously put up a far more impressive display in landing a maiden event at Newbury by 12 lengths. It could well be that his slightly disappointing display at Chester was a result *of his inability to produce his* best on that particularly tight course.

There are 83 entries for the Benson and Hedges Gold Cup at York on Tuesday, August 21. The race which has so often in the past produced a major turn-up, again seems certain to attract a high-class field. This year the entries include Troy, Trillion, Tap on Wood, Ela Mana Mou, Hawaiian Sound, Ile de Bourbon and, surprisingly, Borzoi. It is difficult to understand the reasoning behind his entry, for his trainer, Henry Cecil, came to the conclusion a while back that a mile at the most was Borzoi's best distance. The Benson and Hedges Gold Cup, invariably run at a scorching pace over a stiff course, is over one mile two-and-a-half *furlongs.*

Woman miner launches carrier

THE EIGHTH of 13 bulk-carriers for Poland being built by Govan Shipbuilders on the Clyde was launched yesterday at a ceremony performed by Mrs. Ewa Gawecka, 42, a miner at the Siersza Colliery, after which the ship was named.

SPAIN ♥

June 22	Per cent	
Asland	110	− 2
Banco Bilbao	275	+ 4
Banco Central	304	+ 3
Banco Exterior	282	
B. Granada (1,000)	134	
Banco Hispano	263	+ 2
Bco. I. Cat. (1,000)	146	+ 3
Banco Madrid	201	
B. Santander (250)	332	+ 6
Bco. Urquijo (1,000)	243	+ 3
Banco Vizcaya	280	+ 3
Banco Zaragozano	227	
Dragados	148	+ 1
Espanola Zinc	83	
Fecsa (1,000)	65.50	− 0.25
Gal. Preciados	63	− 3
Hidrola	65.75	+ 1.00
Iberduero	59.75	− 0.50
Petroliber	91	− 2
Petroleos	154	+ 1.50
Sniace	128	
Telefonica	74.25	
Union Elec.	56.75	+ 1.50

BRAZIL

June 22	Price Cruz	+ or −	Cruz Div.	Yld %
Acesita	1.15	−0.01	0.14	12.0
Bancodo Brazil	1.67	−0.02	0.11	6.91
Banco Itau PN	1.31		0.10	7.63
Belgo Mi'eira OP	1.81	−0.04	0.10	5.41
Lojas Amer O.P.	1.99	−0.01	0.20	10.1
Petrobras PP	1.61	−0.04	0.13	7.87
Pirelli OP	1.16	−0.01	0.08	6.89
Souza Cruz OP	2.10	+0.05	0.08	3.92
Unip PE	4.50		0.25	5.55
ValeRioDoce PP	1.60	−0.05	0.15	9.03

Turnover: Cr103.5m. Volume 61.8m.
Source: Rio de Janeiro SE.

NOTES: Overseas prices exclude \$ premium. Belgian dividends are after withholding tax.

♦ DM 50 denom. unless otherwise stated. ♠ Pts 500 denom. unless otherwise stated. ♣ Kr 100 denom. unless otherwise stated. ● FFr 500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. A Interim since increased.

NEW YORK

Stock	June 21	June 20
[illegible]	[illegible]	[illegible]

CANADA

Stock	June 21	June 20
[illegible]	[illegible]	[illegible]

GERMANY ♦

June 22	Price DM.	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

TOKYO ¶

June 22	Prices Yen	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Source Nikko Securities, Tokyo

MILAN

June 22	Price Lire	+ or −	Div. Lire	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AUSTRALIA

June 22	Aust. \$	+ or −
[illegible]	[illegible]	[illegible]

SWITZERLAND ●

June 22	Price Frs.	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OSLO

June 22	Price Kroner	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

PARIS

June 22	Price Fr.	+ or −	Div. Frs.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AMSTERDAM

June 22	Price Fls.	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

BRUSSELS/LUXEMBOURG

June 22	Price Frs.	+ or −	Div. Net	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

STOCKHOLM

June 21	Price Kronor	+ or −	Div. Kr.	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

COPENHAGEN ♣

June 22	Price Kroner	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

VIENNA

June 22	Price %	+ or −	Div. %	Yld. %
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

JOHANNESBURG

June 22	Rand	+ or −
[illegible]	[illegible]	[illegible]

Financial Rand U.S.\$0.96
(Discount of 24.5%)

...panese ...urance ...nture ...proved

...ies Smith in Tokyo

...Ministry of Finance ... provisional approval ...ormation of the joint ...etween the Prudential ... Company and Sony ...on to sell life assur... Japan. The joint com... ...l have a capital of ...d operations are likely ...ext year.

...y-Prudential joint ven... be the fourth foreign ... foreign life insurance ... approved by the ...of Finance. Companies ... in the three existing ...are: American Life In... which received Ministry ... to launch a Japanese ... 1972; Allstate, an affi... Sears, Roebuck, which ... in partnership with ...ores, and American ...fe Assurance.

...mpany was given per... ...o sell assurance in ...ause it offered a pro... a marketing method ...as not available in ...nese life assurance

...ny-Prudential venture ... to have met the same ... but no details are ...as yet on the type of ... to be sold. Sony Cor... declined to confirm ...venture would sell in... through its existing ...nnels for consumer ...s products.

... bond issue

...considering floating a ...year bond on U.S. mar... ...er reports from Hel... ...e Finnish Finance ...aid it was contemplat... ...n issue pending final ...ns in New York next

Skis Rossignol forecasts sharp growth in sales

BY TERRY DODSWORTH IN PARIS

SKIS ROSSIGNOL, one of France's fast-growing glamour companies, is forecasting 20 per cent growth in sales next year due mainly to expansion in the U.S.

The prediction follows a year of heavy investment when some Fr 95m ($21.6m) were put into the business, partly to acquire activities in North America where it is diversifying into the tennis racquet industry.

On a strictly comparable basis, consolidated sales rose last year by 17 per cent to Fr 615.8m, but taking into account the new operations, they went up by 18.5 per cent to Fr 625.2m. Profits were Fr 28.8m on a comparable basis, but fell to Fr 27.6m including the American activities.

Skis Rossignol expects profits to be better this year, but is forecasting that the real benefits from its expansion overseas will begin to feed through in the 1980-81 financial year. This year, running from April to next March it is planning to invest Fr 60m.

Total ski sales this year are expected to grow from 1.8m pairs to 2.0m, with production going slightly higher than output to make up for a diminution of stocks.

The group claims that its share of the world market rose one per cent last year to 22 per cent, with a big expansion in its long-distance ski business to 7.4 per cent of the market. This part of its business will be expanded this year by the launch of ski-sticks and ski boots.

The group's tennis racquet division now has a capacity of little more than one million units a year, and accounts for 3.7 per cent of total turnover. This ratio is expected to double in 1979, although its profits performance will not keep step with sales.

* * *

THE PROSPECT of a dividend this year was held out tentatively yesterday to shareholders in Au Printemps, the department stores group.

Speaking at the annual meeting, chairman Bertrand Maus said the company may reverse the pattern of the past three years and pay a dividend in 1979, although he found it "impossible" to make any promises.

Sales for the first five months were running some 10 per cent to 11 per cent up on the comparable 1978 period, shareholders were told. Au Printemps plans to step up capital spending this year, aiming to plough some FFr 90m into fixed assets in contrast to the FFr 58.1m spent in 1978.

After three years of loss-making, the company moved out of the red last year with a profit at the net level of FFr 75m. The turnround followed several years of tough reorganisation.

M. Maus declared that if the company could maintain profits in 1979 he would consider this an "excellent" performance.

Big reduction in losses at Statsforetag

By William Dullforce in Stockholm

STATSFORETAG, the Swedish state holding company, reduced its losses faster than expected during the first four months of the year. Sales of the 30 companies included in the consolidated account climbed by 20 per cent to SKr 3.5bn ($795m) and the pre-tax loss dropped to SKr 112m ($25.4m), an improvement of over SKr 200m from the corresponding period of 1978.

The group, which made a SKr 929m loss on a SKr 10.1bn turnover last year, now expects to perform better this year than forecast in the shareholders' report but will not be able to move into the black at the pre-tax level, Mr. Per Sköld, managing director indicates, however, that the group can show a profit this year after including the state grants received for restructuring some of the more exposed companies.

Rising costs hit profit at Pan Malaysia Cement

BY WONG SULONG IN KUALA LUMPUR

RISING PRODUCTION costs and failure to get Government approval for a price increase in cement has been responsible for another disappointing year at Pan Malaysia Cement Works (PMCW).

The group said that it made a pre-tax profit of 8.86m ringgit (U.S.$4m) for the year ended March, or 10.6 per cent less than last year. This is the fourth consecutive year of profit fall.

The group is cutting is dividend for the year to 10 per cent, from the previous 15 per cent.

The cement manufacturers have complained bitterly that the Malaysian Government has refused to agree to a price rise for cement since 1975 and see little prospects of improving profitability this year unless a revision of prices is allowed.

PMCW's 62 per cent owned subsidiary, Pan Malaysia Rubber Industries, also suffered a setback, with pre-tax profits falling by 18 per cent to 5.3m ringgit. This company is also cutting its dividend, to 20 per cent, from 25 per cent previously.

Earnings advance at Russels

BY OUR JOHANNESBURG CORRESPONDENT

RUSSELS HOLDINGS, one of South Africa's largest furniture chains, reports sales and pre-tax profits up 14.7 per cent for the year ended April after a half-year forecast that the markets in which the group operates would not enable higher profits to be earned.

Turnover for the year totalled R135.3m ($160.5m) against R117.9m while operating profits were R16.3m ($19.52m) against R14.2m. Attributable tax profits amounted to R8.3m against R7.2m, giving earnings of 46.8 cents a share, compared with 40.6 cents. A one-cent rise in the final dividend to 7 cents gives an annual total of 11 cents against 10 cents.

Norsk Data to acquire Tandberg interests

By Our Financial Staff

NORSK DATA the Norwegian-based electronics company, is to take over the major interest in Tandberg Industrier, its fellow Norwegian educational and consumer electronics company, from July 1, it was confirmed in Oslo yesterday.

At the same time, the financial situation of the troubled Tandberg Industrier will be strengthened. Its capital will be increased by around NKr 13m ($2.5m) of which Norsk Data will own NKr 12m.

The minority interest will be bought by the Norwegian state for NKr 25m. A subordinated loan of NKr 40m has been granted, and a guarantee of another NKr 40m has been given.

Tandberg Industrier will maintain its present product range in both hi-fi and educational equipment. A new series of hi-fi receivers, the 3000 series, will be launched internationally in the late autumn.

During the transitional period, since the establishment of Tandberg Industrier, sales have "kept up in most markets." Tandberg looks forward with optimism.

Arab link for Dutch copier group

By Charles Batchelor in Amsterdam

DUTCH COPIER group, Oce-van der Grinten will take a 25 per cent stake in a joint venture to be set up in the Middle East. Oce will pay Fl 3m ($1.4m) for its share in a new holding company which will be set up with Societe Heliozid, which makes Oce copying papers under licence.

This will allow Oce to strengthen its production, sales and service position in a market which is developing well, it said. The new company, known as Heliozid-Oce Reprographics, will have factories in Beirut, Riyadh and Ajman in Dubai as well as trading companies in a number of other Middle East countries.

Asbestos Corporation files suit in Quebec

MONTREAL — General Dynamics Corporation said that its majority-owned Asbestos Corporation unit had filed suit in Quebec Superior Court to halt its expropriation by the Quebec Government.

General Dynamics, which holds 54.6 per cent of Asbestos Corporation, said its General Dynamics Canada unit had also petitioned the Court to intervene.

Asbestos Corporation and the Canadian unit said they were responding to the passage of an Expropriation Bill by the Quebec Legislature.

They are seeking an injunction to stop any expropriation, pending a determination by the Court of the constitutionality of legislation outlining the expropriation.

Bill 121 contains provisions that would enable the Government to expropriate all assets of Asbestos Corporation within the Province for the Societe Nationale de L'Amiante (SNA), a Government company established by Bill 70, the companies said.

The petitions to the Court state that unless an injunction is granted, Asbestos Corporation will suffer "serious and irreparable damage of such a manner as to render the final judgment ineffectual."

They add that the status quo should be preserved until final judgment has been rendered in the action on its merits. Reuter

Control of Argus passes to Hollinger

TORONTO — Control of Argus Corporation, the Canadian holding company which has the major stake in Massey Ferguson, Dominion Mines and Domtar, has passed to Hollinger Mines. Last summer, a group headed by Mr. Conrad Black took control of Argus and also of Ravelston Corporation, a private holding company which at that time had the major stake in Argus.

Argus said that a special dividend of C$10 will be paid to outstanding Class C preference and common shareholders. It will then give both shareholders the option to receive one share of Hollinger for each four Argus shares.

Argus presently hold 2m or about 42 per cent of the outstanding shares of Hollinger.

It said that Ravelston Corporation plans to accept the offer and take the Hollinger shares.

Argus said that while control of Hollinger goes to Ravelston Corporation, Hollinger will buy Ravelston's entire Argus Holding of 4.9m Class C preference shares and more than 1.6m common shares for C$89.5m.

In a related move, it said that Hollinger will sell its 1.5m shares of Noranda Mines to Labrador Mining and Exploration for C$80.5m.

The money is to be paid in 700,000 shares of Labrador at $40.75 per share, an $11m note and $41m cash. Reuter

Flat quarter at Stauffer Chemical

NEW YORK — Stauffer Chemical expects second quarter earnings to be relatively flat compared with last year's $1.07 a share before a 2-for-1 split.

Mr. H. Barclay Morley, chairman and president, said "We're not going to have a down quarter but we don't have an up quarter either." The plastics business had a $5m to $6m loss.

"We're going to reverse that in the third quarter." Sales volume is good and the company expects "to get rid of that red ink in plastics." He would not speculate on the fourth quarter because much depends on the U.S. economy, he said. AP-DJ

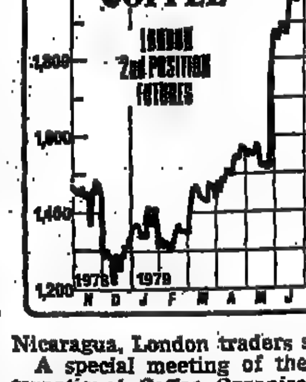
Paccar bid examined

Paccar has been advised by the staff of the Federal Trade Commission that the staff has initiated an investigation of the proposed acquisition by Paccar of all of the stock of Harnishchfeger Corporation, reports AP-DJ from Bellevue.

...MODITIES/Weekly review

...n cools down after ...pply squeeze crisis

...R COMMODITIES STAFF



...market cooled down ...following a rise which ...ed the cash price to a ...el earlier in the week. ...te shortage of nearby ... lifted cash tin to ...nne on Thursday with ... £980 a tonne pre... ...r the three months ...e dealer holding the ...vailable nearby stocks ...ted at one stage to be ... a £310 a tonne ...for "lending" tin over ...nd to dealers short of

...lowing a special meet... ...ndon Metal Exchange ...esterday holders of tin ...suaded to release sup... ... lower prices. This ...in a £325 fall in the ... which was, however, ... up on the week at ... tonne. The three ...price was only £60 ... £7,165 a tonne.

...rby supply "squeeze" ...ed to continue longer ...d because of shipping

...prices fell steadily ...t the week as specu... ...k their profits follow... ...cent rise. The decline ...encouraged by expecta... a substantial fall in ...is week. Cash lead ...5.5 lower on the week ... tonne.

... also fell on profit tak... ...he cash wirebars price ...to £890.5 a tonne. The ...erling helped to depress

...n weather continued ...ate the London coffee ...this week. Higher ...ures last weekend en... a steady fall in prices ...out renewed frost fears ...ed values again. The ...r futures position ... 1 higher on the week ...5 a tonne.

...midweek rise was ... by warnings from ... trade sources that a ...wave was threatening ... coffee states. The ...ppeared to shrug-off a ... Weather Department ...nt that there was no ...te danger of frost.

...epartment said temper... were expected to fall ...kend but the cold front ...quiet intense enough to ...serious frost. It was, in ..., more likely to move ... the Atlantic than to ...orth into the coffee ...ie Department added. ...readiness of the coffee ...also partly reflected con... ...r unrest in Ghana and Nicaragua, London traders said.

A special meeting of the International Coffee Organisation in London on July 10-11 will consider the price situation, ICO executive director Alexandre Betrao said yesterday. The meeting was automatically triggered yesterday when the 20-day average of the composite coffee indicator price rose above 174.24 cents a lb.

Cocoa prices fell reflecting the continued easing of concern about shipments from Ghana following the coup there early this month. The September position closed at £1,625.5 a tonne yesterday, down £62 on the week. The strength of sterling also encouraged the decline which has taken prices back to pre-coup levels.

The U.S. Department of Agriculture has increased its estimate of the 1978-79 world cocoa crop to 1.48m tonnes from 1.44m. But this would still represent a fall of 1.5 per cent from last season. The Department expects cocoa bean grindings to total 1.4m tonnes in 1979, 2 per cent more than last year.

World sugar prices were slightly lower this week. But German sugar statistician F. O. Licht warned yesterday that damage to the sugar beet crop in the Soviet Union could be irrevocable if the current dry spell continues. This shortfall could counterbalance the higher export availability of Cuban sugar, he said.

COTTON

LIVERPOOL COTTON—Spot and shipment sales in Liverpool amounted to 138 tonnes, bringing the total for the week to 660 tonnes, against 591 tonnes for the previous week. Demand was again fairly light although scattered purchases were mentioned in North and South American growths. Occasional support also developed in African qualities.

MARKET REPORTS

BASE METALS

COPPER—Eased on the London Metal Exchange after forward metal, during the morning, had climbed from £901 to £908 helped by trade buying. In the afternoon, following the lead of Comex, the price slipped to close on the Kerb at £902. Turnover 18,925 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	895-.5	-1.25	890-1	-3
3 months	905-5.5	-1.5	904-.5	-3.5
Settl'm't	895.5	+1		.....
Cathodes				
Cash	869-70	+4	866-8	+1
3 months	888-90	+1.5	887-9	+.5
Settl'm't	870	-15.5	+4	.....
U.S. Smt.				.....

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £893, three months £903, 2, 3, 5, 4.5, 5, 6. Cathodes, three months £888, 89. Kerb: Wirebars, three months £907, 7.5, 7. Afternoon: Wirebars, three months £907, 8, 5, 5, 4, 4.5. Cathodes, three months £888. Kerbs: Wirebars, three months £903, 4, 4.5, 4, 3.5, 3, 2.

TIN—Steady in active trading. The technical squeeze on nearby metal eased and after climbing from £8,000 to £8,100, cash metal fell back to £7,850. Forward metal fell on hedge selling from £7,140 to £7,110, but then buying against physical business led it to close on the Kerb at £7,150. Turnover 1,595 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	8100-50	+250	7800-50	-325
3 months	7140-50	+40	7155-75	-5
Settlem't	8150	+250	—	.....
Standard				
Cash	8100-50	+250	7800-50	-325
3 months	7120-5	+22.5	7145-50	-18.5
Settlem't	8150	+250	—	.....
Straits. E.	$1995	+10	—	.....
New York	—		—	.....

Morning: Standard, cash £8,000, 8,050, 8,100, three months £7,150, 40, 35, 30, 10, 7,100, 05, 20. Kerbs: Standard, cash £8,100, three months £7,115, 1 7,120. Afternoon: Standard, cash £8,000, 7,900, 50, three months £7,150, 40, 45, 48, 50. Kerbs: Standard, cash £7,800, three months £7,140.

LEAD—Drifted after forward metal had advanced from £588 to £592, with sentiment upset by expectations of a stocks increase. After scattered stop-loss selling, the close on the Kerb was £582. Turnover 4,750 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	625-7	-4.5	622-4	-10
3 months	590-.5	-2.25	587.5	-3.25
Sett'ment	627	-4	—	.....
U.S. Spot	—	.....	*54.8	.....

Morning: Three months £587, 88, 89, 90, 91, 90.5. Kerbs: Three months £590, 89. Afternoon: Three months £592, 88, 87. Kerbs: Three months £587, 86, 84, 83, 82, 81, 82, 83, 84.

ZINC—Moved narrowly in routine trading, holding for most of the day between £360 and £362. The close on the Kerb was £362.5. Turnover 4,125 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	353-4	+6	351-5	+6
3 months	362.5-3.5	+1.75	361-2	+1
S'ment	354	+6	—	.....
Prim.west	—	.....	*39.5	.....

Morning: Cash £352, three months £360, 61, 61.5, 62, 63. Kerbs: Three months £362.5. Afternoon: Three months £361. Kerbs: Three months £361.

ALUMINIUM—Little changed. Continued speculative liquidation took forward metal down from £742 to £735 but when the selling dried up there was a recovery to a close on the Kerb of £743. Turnover 5,100 tonnes.

Aluminium	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Spot	729-31	-11	735-6	-5.5
3 months	756-7	-7	739-40	-3.5

Morning: Three months £741, 40, 39, 38, 36, 35, 36. Kerbs: Three months £736, 35. Afternoon: Three months £737, 40. Kerbs: Three months £740, 41, 42, 44.

NICKEL—Lower in routine trading as forward metal first advanced to £2,970 and then fell back to £2,910 before stabilising at £2,930 on the close of the Kerb. Turnover 444 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —
Spot	—	.....	—	.....
3 months	2960-70	+79.5	2910-50	-55

Morning: Three months £2,950, 70, 60. Afternoon: Three months £2,950, 40, 10. Kerbs: Three months £2,910, 20, 45, 30.

* Cents per pound. ‡ $M per picul. † On previous unofficial close.

SILVER

Silver was .65p an ounce higher for spot delivery in the London bullion market yesterday at 407.9p. U.S. cent equivalents of the fixing levels were: spot 875.5c, up 8.2c; three-month 895.5c, up 8.5c; six-month 915.2c, up 10.1c; and 12-month 950.2c, up 9.5c. The metal opened at 407-408p (873c-875c) and closed at 410½-411½p (878-880c).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. close	+ or —
Spot	407.90p	+3.65	409.5p	+0.5
3 months	420.10p	+3.75	421.7p	+0.5
6 months	431.40p	+4.45	—	—
12 months	452.35p	+4.5	—	.....

LME—Turnover 201 (159) lots of 10,000 ozs. Morning: Three months 421, 20.8, 21, 21.5, 21.7, 21.8, 22, 22.4, 22.8, 23, 22.8, 22.7, 22.5. Kerbs: Three months 422.7, 23.2. Afternoon: Three months 424.5, 24.3, 24, 24.1, 24, 20.5, 20.8, 21, 21.2, 21.4, 21.5, 21.7. Kerbs: Three months 421.8, 22, 22.5.

COCOA

Cocoa futures remained steady throughout the day in thin trading conditions to close £5-£10 higher than last night's levels, reported Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
July	1596-1598	+2.5	1600-1585
Sept	1625-1626	+4.0	1634-1611
Dec	1689-1690	+7.0	1694-1675
March	1719-1720	+10.5	1725-1705
May	1738-1739	+6.0	1739-1726
July	1753-1756	+4.5	—
Sep	1770-1774	+9.5	1772-1762

Sales: 2,157 (8,872).

International Cocoa Organisation (U.S. cents per pound): Daily price June 22: 156.59 (155.6). Indicator prices for June 21: 15-day average 157.68 (157.57); 22-day average 157.44 (157.38).

MEAT/VEGETABLES

MEAT COMMISSION: GB cattle 87.44p per kg.l.w. (+0.24); UK sheep 174.9p per kg.est.d.c.w. (—0.8); GB pigs 58.8p per kg.l.w. (—1.2). England and Wales: Cattle numbers down 7.9 per cent, average price 86.84p (—0.47); sheep numbers up 60.4 per cent, average price 174.9p (—0.8); pig numbers down 30.6 per cent, average price 58.8p (—1.2). Scotland: Cattle numbers up 1.5 per cent, average price 89.24p (+2.41).

COFFEE

After opening slightly lower Robustas remained locked in a tight range as heavy selling from one particular source was continually well absorbed by mixed buying during the early session, reports Drexel. The afternoon was rather quiet with only book-squaring and small-scale profit-taking evident ahead of the weekend and prices finished minus 07.5 to plus 01.5 on the day.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
July	2058-40	+0.5	2045-25
September	2039-40	+0.5	2045-35
November	2038-40	+1.5	2047-28
January	2036-38	-7.5	2046-38
March	2023-24	-5.0	2024-12
May	2018-20	-3.5	2020-12
July	2013-20	-5.0	2013

Sales: 4,715 (7,623) lots of 5 tonnes.

ICS indicator prices for June 21 (U.S. cents per pound): Other Mild Arabicas 199.83 (198.42); Robustas ICA 1976 196.50 (193.50); ICA 1968 197.00 (194.00); Colombian Mild Arabicas 202.50 (199.50); Unwashed Arabicas 196.00 (same). Comp. daily ICA 1968 198.08 (195.99).

GRAINS

M'nth	WHEAT Yesterday's close	+ or —	BARLEY Yesterday's close	+ or —
Sept.	95.45	+0.20	88.60	+0.6
Nov.	96.80	+0.15	92.50	+0.55
Jan.	101.05	+0.1	97.25	+0.3
Mar.	104.40	+0.05	99.70	+0.55
May.	107.80	+0.05	102.95	+0.35

Business done—Wheat: Sep. 93.60-93.25, Nov. 97.05-96.85, Jan. 101.25-101.00, Mar. 104.45-104.30, May 107.90-107.80. Sales 118. Barley: Sep. 88.60-88.15, Nov. 92.55-92.00, Jan. 98.25-98.00, Mar. 99.75-99.35, May 103.00-102.80. Sales 295.

EEC IMPORT LEVIES—The following levies and premiums are effective for June 23 in order of current levy plus July, August and September premiums, (with previous in brackets), all in units of account per tonne. Common Wheat: 69.85, rest nil (72.15, rest nil). Durum Wheat: 124.92, rest nil (127.22, rest nil). Rye: 87.18, rest nil (87.18, rest nil). Barley: 85.4, rest nil (85.34, rest nil). Oats: 88.04, rest nil (88.04, rest nil). Maize (other than hybrid for seeding): 78.76, rest nil (78.76, rest nil). Buckwheat: nil, rest nil (nil, rest nil). Millet: 74.34, rest nil (74.4, rest nil). Grain Sorghum: 83.92, rest nil (83.92, rest nil). Flour Levies: Wheat or mixed what and rye flour: 112.57 (115.79). Rye Flour: 136.83 (136.83).

HGCA—Location ex-farm spot prices Norfolk. Feed wheat: 94.80. Feed barley: 92.00.

The UK monetary coefficient for the week beginning Monday, June 25, will remain unchanged.

IMPORTED—Wheat: U.S. Dark Northern Spring No. 2 14 per cent, June 107.75, July 107.00, Aug. 106.50, transhipment East Coast. U.S. Hard Winter 13½ per cent, June 106.00. Maize: U.S./French, June 109.50, July 110.00, transhipment East Coast. S. African Yellow, Aug. 82.00 nom. Barley: English Feed fob, Oct.-Dec. 93.50, Jan.-March 100.00. East Coast. Sorghum: U.S. / Argentine / French, June-July 104.00 nom, transhipment East Coast.

RUBBER

SLIGHTLY STEADIER opening on the London physical market. Little interest throughout the day, closing on a dull note. Lewis and Peat reported a Malaysian godown price of 297.0 (295.0) cents a kilo (buyer, July).

No. 1 R.S.S.	Yesterday's Close	Previous Close	Business Done
July	64.70-64.75	64.90-65.50	65.05-64.40
Aug.	66.40-65.70	65.90-66.50	—
Jy-Sept.	65.50-65.80	65.90-66.20	66.15-65.40
Oct-Dec	68.80-68.95	69.00-69.05	69.50-68.55
Jan-Mar	70.95-71.00	71.05-71.10	71.40-70.75
Apr-Jne	73.00-73.10	73.10-73.20	73.55-72.95
Jy-Sept.	75.15-75.30	75.25-75.55	75.25-75.15
Oct-Dec	77.50-77.40	77.55-77.50	77.55-77.55
Jan-Mar	79.60-79.65	79.55-79.60	—

Sales 370 (560) at 15 tonnes.

Physical closing prices (buyer) were: Spot 63.75p (64.50p); July 67.75p (68.00p); August 68.25p (68.50p).

WOOL FUTURES

LONDON GREASY—Close (buyer, seller only): July 218.0, 228.0; Oct. 218.0, 233.0; Dec. 218.0, 238.0; March, May, July, Oct., Dec. 228.0, 38.0. Sales: Nil.

NEW ZEALAND CROSSBREDS: (buyer, seller only) July 187.0, 196.0; Oct. 189.0, 198.0; Dec. 191.0, 200.0; March 191.0, 200.0; May 192.0, 200.0; July 192.0, 200.0; Oct. 193.0, 202.0; Dec. 195.0, 203.0. Sales: Nil.

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1979 High	1979 Low
METALS					
Aluminium	£710/50	—	£680	£730	£710
Free Markets c.i.f.	$1,515/35	-85	$1030/40	$1,640	$1,310
Antimony (99.6%)	£1,925	—	£1,925	£1,975	£1,925
Free Market 99.6%	$3,000/300	-185.0	$2,260/800	$3,300	$2,712.5
Copper Cash Wire Bars	£890.5	-8.0	£700.75	£1,062.5	£769
3 months Do. Do	£904.25	-5	£720.25	£1,073.75	£783.75
Cash Cathodes	£866.5	+1	£696.5	£1,054	£755
3 months Do	£888	-0.75	£716	£1,068	£771.25
Gold per oz	$286.625	+6.50	$186.125	$286.625	$216.625
Lead cash §	£623.0	-78.5	£306.5	£701.5	£456.75
3 months §	£587.25	-51.75	£316.25	£642.5	£420.75
Nickel	£3,225.4	—	£2,566	£3,225.4	£2,320.69
Free Market c.i.f. lb.	$270/300c	-10	$185/96	340c	166c
Platinum per oz	£171	—	£153	£171.0	£152
Free Market per oz.	£205.30	+2.3	£132.1	£218.65	£169.3
Quicksilver (76lbs.)	$300/320	-40	$120.25	$355	$160
Silver per oz	407.90p	+3.65	288.95p	426.3p	269.4p
3 months per oz	420.10p	+3.75	296.55p	437.9p	305.7p
Tin cash	£7,825	+350	£6,715	£7,875.5	£6,715
3 months	£7,149	+76.5	£6,620	£7,317.5	£6,662
Tungsten Ind.	$141.61	+4.09	—	$146.65	$127.94
Wolfram (22.04 lb)	$146/51	+1.0	$130.35	$147.5	$120.5
Zinc cash	£352	-8.0	£301.75	£408.5	£340.5
3 months	£361.5	-10.75	£311.25	£423.5	350.5
Producers	$845	—	$550/600	$845	$720
GRAINS					
Barley					
Home Futures	£91.95	-0.5	£82.25	£96.10	£85.8
Maize					
French No. 3 Yellow (Amer.)	£110	-0.5	£103.75	£113	£107.25
WHEAT					
No. 1 Red Spring	‡	—	£96	£97.25	£97
Am. Hard Winter	£106.00	—	‡	£91	£83.5
Eng. Milling (new crop)	‡	—	£104.5	£107.5	£95.5
SPICES					
Cloves (g)	$3,850	—	$4,500	$3,975	$3,850
Pepper, white	$2,550	—	$3,050	$2,850	$2,600
" black	$1,700	—	$2,050	$1,850	$1,660
OILS					
Coconut (Philippines)	$1,150	+80	$660	$1,065t	$925
Groundnut 5%	‡	—	£724	—	—
Linseed, Crude	£400	+11	£368	£441	£386
Palm Malayan	$708.0	+4.5	$602	$720	$610
SEEDS					
Copra (Philippines)	‡	—	$465	$745	$620
Soyabeans (U.S.)	$347.0	+23.55	$282.75	$355.75r	$265.25
OTHER COMMODITIES					
Cocoa Shipment	£1,721	-42.0	£1,652	£2,041	£1,589
F'ts 2nd pan.	£1,625.5	-63.0	£1,783	£1,990.5	£1,532.5
Coffee Futures Sept.	£2,039.5	+21.0	£1,481.5	£2,084.5	£1,298.5
Cotton Index	76.75c	+0.25	72.15c	78.65c.	72.5c.
Des. Coconut	£740	—	£635	£740	£700
Jute LJ ABW C grade	—	—	$485	$526	$476
Rubber kilo	63.75p	-1.25	58.75p	67.750p	55p
Sago Pearl	£188	—	£183	£188	£178
Sisal No. 3 L	$700*	—	$530/40	$700	$515
Sugar (Raw)	£101	—	£95	£109	£93
Tapioca No. 1	£201	—	£172	£201	£187
Tea (quality) kilo	134p	—	135p	138p	123p
" (plain) kilo	73p	—	80p	82p	75p
Wooltops 64s Warp	276p kilo	-2.0	283p kilo	291p kilo	268p kilo

* Nominal. ‡ Unquoted. (g) Madagascar.

AMERICAN MARKETS

Coffee—"C" Contract—July 199.11 (201.00), Sept. 205.34 (208.58), Dec. 203.05, March 200.88, May 200.00, July 197.50, Sept. 195.25.

Copper—June 87.05 (85.00), July 87.05 (85.00), Aug. 87.10, Sept. 87.15, Dec. 87.50, Jan. 87.60, March 87.60, May 87.80, July 88.00, Sept. 88.10, Dec. 88.15, Jan. 88.20, March 88.25.

*Gold—June 282.20 (281.90), July 282.40 (281.80), Aug. 284.60, Oct. 289.50, Dec. 294.50, Feb. 299.20, April 303.90, June 308.50, Aug. 313.10, Oct. 317.70, Dec. 322.20, Feb. 326.70, April 331.20.

*Platinum—June 437.00 (438.00), July 436.10 (437.40), Aug. nil, Oct. 436.80, Jan. 439.00, April 442.00, July 445.00, Oct. 448.00, Jan. 451.00.

Potatoes (round whites)—Nov. 65.0 (63.3), March 75.6 (73.10), April nil, May 97.1.

¶Silver—June 872.0 (872.9), July 873.0 (874.0), Aug. 880.6, Sept. 888.3, Dec. 908.0, Jan. 913.7, March 925.1, May 936.5, July 947.9, Sept. 959.3, Dec. 977.1, Jan. 982.9, March 994.1. Handy and Harman spot 876.00 (874.80).

Tin—Spot 718.00-740.00 asked (720.00-760.00).

CHICAGO, June 22. Lard—Chicago loose 26.75 (26.00). Live Cattle—Aug. 67.00-67.20 (66.35), Oct. 66.17-66.05 (64.90), Dec. 68.40-68.60, Jan. 69.40 asked, Feb. 70.75-70.82, April 71.75, June 73.40 asked-73.15, Aug. 72.16 asked, Oct. 71.65 bid, Dec. 72.60 bid.

‡‡Maize—July 317¼ bid (307½), Sept. 320-321 (311¼), Dec. 324½-325½, March 332-332¼, May 335, July 335-336.

Pork Bellies—July 40.25-40.45 (40.92), Aug. 38.25-37.90 (38.67), Feb. 47.40-47.50, March 47.55, May 461.0 asked, JJuly 490.0 asked, Aug. 475.5 asked.

Plywood—July 201.0-200.0 (202.2), Sept. 204.0 (205.5), Nov. 200.6, Jan. 203.0, March 204.0, May 202.9, JJuly 203.5, Sept. 203.2 asked, Nov. 202.9 nom.

Silver—June 886.0 (882.0), July 885.0 nom. (881.0), Aug. 887.5-90, Oct. 901.0-900.0, Dec. 913.5-45, Feb. 923.0-35, April 934.0, JJune 946.0, Aug. 958.0, Oct. 970.0, Dec. 982.0, Feb. 994.0, April 1006.0, June 1018.0, Aug. 1030.0, Oct. 1042.5, Dec. 1055.0, Feb. 1067.5, April 1080.0.

||Soyabean Meal—July 235.00-233.50 (226.60), Aug. 233.50-240.00 (225.30), Sept. 231.50, Oct. 228.00, Dec. 227.00-226.50, Jan. 228.00-226.50, March 229.50-223.00, May 230.00, July 229.00.

‡Soyabeans—July 859-857 (829), Aug. 859½-859½ bid (829½), Sept. 838-838, Nov. 820-818, Jan. 829-827, March 839-838, May 841½-843, July 842½.

Soyabean Oil—July 29.10-29.20 (28.20), Aug. 29.20-29.15 (28.31), Sept. 29.00-29.10, Oct. 28.75-28.80, Dec. 28.65-28.70, Jan. 28.55-28.65, March 28.70, May 28.75, July 28.70-28.80, Aug. 28.50 asked.

§Wheat—July 483-484½ (466¼), Sept. 489-490 (476), Dec. 504½-505½, March 514, May 508, July 472.

WINNIPEG, June 21. ¶Rye—July 146.50 (143.50); Oct. 148.50 (141.50); Dec. 142.50; May 140.50.

§Barley—July 109.80 (104.80); Oct. 107.30 (102.30); Dec. 105.70; March 105.70; May 106.00.

§Oats—July 108.50 asked (105.80 asked), Oct. 104.10 99.10, Dec. 102.30, March 101.50, May 101.00.

§Flaxseed—July 373.00 (363.00 asked), Oct. 362.00 (352.00 asked), Nov. 349.00, Dec. 342.50, May 365.60.

§Wheat—July 136.00 (131.00 asked), Oct. 130.10-130.20 (125.20), Dec. 127.50 bid, March 125.50 bid, May 125.00 bid.

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. ¶ Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. || $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq feet. ‡ Cents per dozen.

INDICES

FINANCIAL TIMES

June 21	June 20	M'nth ago	Year ago
303.85	300.63	281.04	246.64

(Base: July 1, 1952=100)

MOODY'S

June 21	June 20	M'nth ago	Year ago
1107.9	1098.0	1059.5	919.9

(December 31, 1931=100)

DOW JONES

Dow Jones	June 21	June 20	Month ago	Year ago
Spot	424.38	417.96	388.08	365.66
F'tur's	436.15	430.40	394.02	352.86

(Average 1924-25-26=100)

REUTERS

June 22	June 21	M'nth ago	Year ago
1640.9	1632.7	1646.1	1494.9

(Base: September 18, 1931=100)

SOYABEAN MEAL

	Yesterday's Close	+ or —	Business Done
	£ per tonne		
June	135.00	+1.5	—
August	140.00-40.0	+3.5	140.80-37.70
October	140.20-40.0	+2	141.00-39.30
December	139.90-40.0	+1.35	140.50-37.00
February	140.90-41.0	+1.3	142.00-40.00
April	140.00-45.0	+0.35	—
June	140.00-44.8	+0.47	—

Sales: 412 (275) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar): £101.00 (£100.00) a tonne cif for May-June shipment. White sugar daily price was £103.50 (£102.50).

Sugar Pref. Comm. Con.	Yesterday's Close	Previous Close	Business Done
	£ per tonne		
Aug.	106.80-07.00	106.50-06.55	107.25-05.65
Oct.	110.40-10.50	110.05-10.10	110.85-09.50
Dec.	114.70-14.75	114.50-14.55	115.05-15.00
March	120.10-20.20	119.75-19.85	120.25-18.25
May	122.80-22.90	122.50-22.75	125.00-21.50
Aug.	126.25-26.50	126.10-26.50	127.00-24.75
Oct.	129.80-30.00	129.50-30.00	130.00-29.50

The market opened slightly easier than overnight closing levels and held quietly steady until mid-afternoon when better New York advices produced a steadier tone and gains of up to 185 points were recorded before the market settled back into a narrow range closing some 25-35 points below the highs, reported C. Czarnikow.

Sales: 1,348 (1,330) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £279.50 (same) a tonne for home trade and £169.50 (£168.50) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Price for June 21: Daily price 8.25 (8.13); 15-day average 8.04 (8.00).

WHITE SUGAR—Close (in order buyer, seller, business, sales). Sept. 109.75, 110.00, 109.75-108.25, 17; Nov. 113.25, 113.50, 113.25-112.25, 11; Feb. 120.25, 120.50, 120.25 only, 21; April 123.25, 123.75, nil, nil; July 127.25, 128.00, nil, nil; Sept. 132.25, 132.50, nil, nil; Nov. 133.50, 136.50, nil, nil. Sales 49 lots.

*

GRIMSBY FISH—Supply good. Demand fair. Shelf cod 3.20-3.80, codlings 2.20-3.80; large haddock 5.00, medium 3.90-4.00, small 2.60-3.00; large plaice 3.50, medium 3.00-3.50, best small 2.70; large skinned dogfish 3.00, medium 6.50; large lemon soles 6.00, medium 4.50; rockfish 2.00, saithe 2.20-2.30.

BOOKS

Churchill's wife

BY C. P. SNOW

Clementine Churchill by Mary Soames. Cassell £7.95, 556 pages

Lady Soames was born in 1922, the youngest child of Clementine and Winston Churchill. In that year Winston Churchill was 49, Clementine 37, and Mary (the future Lady Soames) was so much the youngest of the family that she was something like an only child. Maybe that helped her avoid the disasters that in time darkened the lives of her siblings. It certainly helped her become the main support and confidante of her mother right through the last sad years of Winston's extreme old age into Clementine's own (she lived to be 92).

Without that intimacy, we shouldn't have had this remarkable book. It tells things that no one else could have known or had access to about the Churchills. It doesn't add any more information on Winston's political career. But Lady Soames has been able to use, with absolute integrity, first-hand knowledge of his and Clementine's day-by-day existence. Above all, Lady Soames has been able to draw on an astonishingly rich domestic correspondence fuller than most marital interchanges, because Winston Churchill, though a devoted father and faithful husband, from the age of about 50 onwards found that he had more affection for his family when he was away from them, cruising with cronies or painting in the south of France.

This correspondence is something that historians dream of, and usually don't get. With one or two minor qualifications, Lady Soames's book would be a triumph coming from anybody. As she appears to have written nothing whatever before, those who persuaded her into writing it deserve some of the praise.

Clementine Churchill was an interesting and impressive character in her own right. Her long life was crammed with drama, but not much in the way of contentment, or psychological ease. She was honourable, dutiful to an extent that most of us never knew, intelligent, perhaps with a capacity for happiness that duty and an anxious temperament didn't often let break through.

For one preyed on by anxiety, she didn't have a specially good start. Her mother was the daughter of Lord and Lady Airlie. Lady Airlie was a Stanley, high principled, liberal in politics, not liberal when confronted with the drinking habits of the Scottish aristocracy, strong willed, increasingly formidable as she survived, like her granddaughter, to a great age. Lady Blanche, Clementine's mother, grew up as a wild young woman. She married a divorced man, Colonel Hozier, much older than herself. Divorce wasn't a recommendation to the Airlies, but they may have been glad to get her safely married to anyone at all. However, she wasn't safely married. Children once born, she and her husband soon hated each other. It didn't take Lady Blanche long to find a lover. With maximum vindictiveness, and minimum allowance, her husband divorced her. Thus Clementine in her childhood lived in a state of genteel poverty, with the additional threat of being kidnapped by her father. For years Lady Blanche and her daughters existed in precarious exile in Dieppe.

Clementine wasn't her mother's favourite child. She was clever, handsome rather than pretty, had a subdued kind of personal distinction, and could be attractive to anyone who reached under her reserve. She didn't give affection or trust easily as a girl, nor ever afterwards. Back in London, she had offers of marriage, was engaged more than once, didn't trust her own instinct. She didn't really trust it when Winston Churchill came along, aged thirty-four, already well known, an adventurous record established, soon to be the youngest member of Asquith's Cabinet. He was as impecunious as she was, and his mother expected him to marry money. He didn't. He married Clementine. For fifty-seven years she devoted herself to his concerns and well-being.

Lady Soames's documents and insights say much more than has been published before about the history of that marriage. Detached observers in the future may ask questions which a daughter wouldn't and couldn't ask, but those can wait for biographers a generation ahead. From the evidence, we do know that she wasn't often free from strain. Not about other women. That wasn't a predilection of Winston Churchill's—and politics she could cope with. She was a political animal herself. Her political judgment in terms of the Parliamentary politics of their time, was better than his. She wasn't at all overborne by him, and gave good advice, not often taken. She was almost certainly right to tell him to resign immediately after the second world war, and not fight another election.

On the other hand, she hadn't the habit of nondescript cordiality, which comes easy to most politicians and politicians' wives. She couldn't be meaninglessly forthcoming to everyone she met. She didn't like people who didn't come up to her own high standards of honesty.

Unfortunately this ruled out most of Winston's closest friends, and it made a constraint between them. She was much more deeply radical than Winston ever was, and she was happier with the days of liberal social reform than she was to be again in political life. But she couldn't suppress her susoicions of Lloyd George, or Max Beaverbrook, or F. E. Smith, and later of Brendan Bracken. Some gambled, some drank, some had disreputable affairs, and she was anxious about that influence on Winston. Here she was wrong. She was shrewder than Winston about people. He wasn't much interested in people. But he was interested in talent. Clementine found it hard to admire talent in men she distrusted. She couldn't admit the political genius of Lloyd George. Winston's life would have been less effective without the company of these singular characters.

His gambling, though, does seem to have been a problem. Drinking is not mentioned in Lady Soames's book. Perhaps Clementine had been trained to accept male carousing. The deepest anxiety was always about money, and she wasn't free of it until Winston was in his sixties. He didn't worry himself. He behaved like an impoverished aristocratic politician of the Regency. The thing to do was to spend as one wanted, and somehow get hold of the money afterwards. Clementine found it an agony to live like that. Up to middle age, they were kept going by his journalism. Then he came into an estate which brought in £4,000 a year, which was substantial in the early twenties. Clementine thought that she was released from financial anxiety for good. Not a bit of it. Winston, for once and perhaps the only time deceiving her, bought Chartwell, which she detested. He became more lavish. Given invaluable advice by Bernie Baruch, he invested lavishly in Wall Street just before the crash: and lost almost all of the recent fortune. It took world fame before his writing made them something like rich.

Clementine Churchill in 1908

Clementine had a good deal to take. Still, he revealed himself to her as he did to no one else. He was not given to introspective thoughts about himself, and more than to psychological curiosity about others. (Lady Soames remarks that he regarded any kind of mental suffering with total incomprehension). Yet he did confess to Clementine that he was inconsiderate beyond any tolerable limits, that he knew how much trouble his egocentricity caused. There is an even more surprising passage in a letter to her written just before August 4th, 1914:

> "Everything tends towards catastrophe and collapse. I am interested, geared up and happy. Isn't it horrible to be built like this? The preparations have a hideous fascination for me. I pray to God to forgive me for such fearful moods of levity. Yet I would do my best for peace."

He enjoyed war. It is fortunate for a good many of us that he did.

Readers beginning Lady Soames's book will find the first chapters not well written. There are too many superlatives, excited adjectives, and cliches. Editing can be overdone, but there a certain amount of it would have been more than permissible. As the author got more practice, though, the writing becomes far firmer and more restrained. The description of the deaths of both Winston and Clementine are done with extreme delicacy and understated strength and are difficult to read without emotion.

Big is beautiful

BY RACHEL BILLINGTON

Now, God Be Thanked by John Masters. Michael Joseph. £6.50, 589 pages

There are those whose spirits lift at the sight of a big book and those who feel any length beyond 250 pages a personal threat. The latter recoils from added avoirdupois as he might from an overweight woman. It is a vulgar and indecent sight and should be put on a diet at once. Interestingly this reaction isn't confined to those who might be accused of feeling a little literature goes a long way. They are often people whose life is bound up with writing—reviewers, publishers, even authors.

They form a strong lobby. All have their own axe to grind. Long books make reviewers' jobs harder, long books cost publishers more to produce, long books are a reproach to writers of short books whose natural paranoia encourages them to fear they are giving short value.

These arguments are, of course trivial, nothing to do with the real judgment of literature. More basic is the effect of instant communication; either by film, television or commercial in the visual medium, or radio and journalism in the spoken and written medium. A ten-page description of a South American rain forest will take ten seconds in a television film, be used as background for a deodorant commercial and be reduced to a by-line in a newspaper. It is difficult for a novelist not to become conditioned.

For all these reasons, the big novel has become unfashionable. Its detractors even sink to blaming the "speed of modern life" for its failure. Yet, strange to say, the same "no-time" reader finds time to read weighty non-fiction which is thought to contain more recyclable information. Moreover, the big novel produces a positively enthusiastic response in America, supposedly the country with the fastest pace of all. There, even reviewers and publishers welcome the model which here would be relegated scornfully to the outsize department. Indeed, a large-scale English writer like John Fowles has to cross the Atlantic for a fair appreciation.

All this is an appropriately long preamble to John Masters' long novel, Now, God be Thanked. This runs for 589 large closely printed pages and is only the first volume of a trilogy entitled Loss of Eden. John Masters has never been frightened of his own words. In a distinguished career he has already produced 21 books, many of them substantial. But with this novel he seems to be entering on a new time-scale. The Loss of Eden is an important theme and he clearly feels justified in choosing a large canvas and a small brush. This first volume starts on July 4, 1914, at a sunny Henley Regatta and finishes with the death of a soldier killed in No Man's Land on Christmas Day, 1915. In between he covers the English class system from top to bottom (though predominantly in rural rather than metropolitan areas), industrial change both in England and America (mainly through the motor and engineering industries) and the war, both domestic and military, at home and abroad.

The cast of characters necessary to service such a plan, is correspondingly large, although confined primarily to several inter-related families, not easy to follow. A short course in Russian fiction would make a good training skirmish. Doubtless it is this sort of difficulty which will lead the "no-time" reader to overtake sharply on the left. His highly trained 20th century antennae will not be able to adapt themselves to the solidity of the proffered fare. First, second and third cousins are best kept for a genealogical tree. A two-page evocation of a railway carriage c. 1914 is put across just as accurately and much quicker by the BBC. Let novelists concentrate on the kernel and leave the husk for more suitable, perhaps lesser mediums. The anti-big-book brigade is characterised by a strange mixture of snobbery and patronage.

John Masters may well not thank me for this kind of defensive attitude. He certainly shows no lack of confidence. No urge to keep the story moving as an exciting helter-skelter above the slow-churning panorama he is painting underneath. In these 589 pages with its dozens of characters and settings, very little actually happens. If the pace speeds up within a particular episode such as a battle at sea or a rape in the woods, we are soon returned to base. The panoramic vision must not be undermined by the prominence of any one thread of character. As a poacher's luscious daughter tends to be more magnetic than a solid naval captain she must be brusquely dismissed to become mistress of a man off canvas. While the solid naval captain must be induced to commit suicide over a young seaman. It is not quite fair to say very little happens.

Big-book loyalists will have already recognised that in Now, God be Thanked they have a book worthy of their faith. A book that will not go away for a very long time (unlike its nearest equivalent the TV serial which tends to run out of money after 6 episodes). The relaxation produced by such knowledge is a much healthier state of mind to approach a book than the usual frantic gulp and destroy. John Masters may make no converts to the big-book-brigade but he will provide a satisfying diet of roast beef and dumplings for those whose stomachs are already expanded.

The sad corollary, it could do the big book cause no good to hide, is that he will confirm the butterfly brigade in their convictions. Now, God be Thanked is not an exciting novel. It is not excitingly written — Mr. Masters' innovation of inserting newspaper clippings at intervals does not alter a pedestrian style. His point of view, his Loss of Eden, is not exciting nor even given much semblance of originality. The individual situations and characters, although accurate and convincing, lack the vividnes of inspiration. It is a good solid piece of work, no more. However, it is also no less. And would have been a great deal less if it had been narrowed down to a conventional 200 or 300 pages. Indeed it may well be more when it is more by another 1,000 pages or so. In other words, its main strength is its length.

A final corollary: there could be a big book that is a much better big book than this.

The men behind the economy

BY PETER RIDDELL

Who runs the economy? by William Keegan and Rupert Pennant-Rea. Maurice Temple Smith, £8.00 (hardback) and £3.95 (paper). 235 pages

The answer to the question in the title — who runs the economy?—depends on whether one believes the conspiracy or cock-up views of the world. The City, the International Monetary Fund, the trade unions and the Treasury (attacked from both right and left) can all be blamed. Alternatively, one can take a more resigned view that Britain's poor economic performance principally reflects long-run forces beyond the control of policymakers.

The authors argue that it is misleading to say that any one particular body is in real control of British economic policy. Instead they conclude that "for much of the 1960s and 1970s there appeared to be something like a cycle of influences." In the early stages of a government political influences are their most powerful as ministers try to implement manifesto commitments; then, as things begin to go wrong the official machine comes to the fore with options to deal with a crisis—usually in the financial markets. External pressures become more significant as international borrowing becomes necessary and the IMF may be involved. This pattern does not fit recent administrations in every respect but it has a general plausability — especially for the 1974-79 Labour Government and, judging by the first two months, also for Mrs. Thatcher's Government.

The authors limit themselves to these general conclusions and do not go on to discuss how far this cycle is the result of underlying constitutional or political weaknesses or of the incoherence and divisions of British economics. The cycles of influence may be less marked in countries where there is more agreement among economists, officials and politicians about how the economy works.

The deliberate aim of the authors was that the book should be primarily descriptive and they are well qualified to set out the process of policy-making. William Keegan and Rupert Pennant-Rea each had a spell at the Bank of England before taking up their current posts at the Observer and Economist respectively. Moreover Bill Keegan, who wrote two-thirds of the book, also had the singular advantage of observing policy-making for nine years as economic correspondent of this paper.

One result is a notably honest and balanced discussion of the two-way influence between the press and the official machine which undermines the common assumption that almost any scoop is a deliberate leak. This view underrates both Whitehall's obsessive secrecy and adherence to the rules and the journalists' ability (occasionally) to find out for himself from a wide variety of sources.

The authors admit in their preface that the nature of the book evolved during writing from just an examination of the policy-making machinery into a broader discussion of outside forces accompanied by some historical narrative. The blend is sometimes slightly confusing, but the book fulfills a clear need by providing an up-to-date insight into how policy-making works. This should appeal to both businessmen wary and ignorant of Whitehall and to students who are familiar enough with supply and demand curves but tired of out-of-date descriptions of the formal structure of institutions. There may be little flesh and blood in policymaking but the book conveys some of the aroma of the Treasury and Reform Club where much of the action (or inaction) occurs.

The book incidentally provides by far the best summary of the 1976 sterling and public expenditure crisis. Each stage of mismanagement, misunderstanding, wishful thinking and ultimate facing-up to reality (in the form of the U.S. Treasury) is brought out clearly. The record is perhaps over-sympathetic to the record of the authors' former employer, the Bank of England. But that could, of course, be the limited perspective of a reviewer who has seen these events just from Fleet Street.

Almost Agatha

The Eleventh Little Nigger by Jacquemard-Sénécal. Collins, £4.95, 208 pages

The successful run of Agatha Christie's Ten Little Niggers at a Paris theatre is interrupted when all the members of the cast but one are found dead in their respective dressing-rooms. Inspector Parescot and the surviving actor—who is also the narrator—solve the case using classic Christie methods; the ingenuity of both puzzle and solution is worthy of Dame Agatha herself, while the characters, though of necessity theatrical, are by no means cardboard cut-outs.

ELIZABETH FORBES

Fiction

Mother's ruin

BY ISOBEL MURRAY

Mother's Day by Robert Miner. Quartet Books, £4.95, 250 pages

Island by Peter Benchley. Andre Deutsch, £4.50, 239 pages

That Old Gang of Mine by Leslie Thomas. Eyre Methuen, £5.50, 200 pages

The Swan by Donald Hutley. Collins, £4.95, 221 pages

If women ever tried to explain to men the experience of motherhood, they gave up long ago. One feature of today's women's movement is an effort to describe the experience to each other, to share and confess the horrors and harrowings, the momentary blisses and the unending grind. This mutual confession is just beginning.

But no woman to my knowledge has written quite so effectively about modern motherhood as Robert Miner. His book Mother's Day begins: "Whatever you may think you think, I am a mother." His narrator, Matt Vole, is left by a liberated wife with a two-year-old boy and a baby girl, and his experience of "motherhood" for all its individuality has an authenticity and universality that takes the breath away.

The experience he describes is often terrible. The material situation is difficult, the emotional pressure rises fast, and the unendurability of life in close proximity to two tiny tyrants is communicated fiercely, as Matt's desperation grows. He is prone to nightmare visions of awful accidents when a child is out of sight: his reaction to finding that Thomas has not after all fallen from a high window is not relief—it is a strong temptation to throw him out. And passionate, protective love can tear him almost apart.

So Robert Miner tells two stories, the tacitly hidden age-old one about motherhood generally, and a very novel one about the aphrodisiac effect a male mother with young has on the female sex, and the various kinds of chaos that result.

Both of these are stories full of pain, and despair, and hard slog, but Mother's Day is, miraculously, an extremely funny novel. Miner has a real gift for barbed prose; his hero develops "mettle fatigue": and he has an eye for visual effect—the newly-standing baby girl proudly directing the stream of her father's urine. Knee-deep in smelly nappies, Matt Vole speaks to and for the mothers of the world. An extraordinary first novel.

Peter Benchley (of Jaws, and The Deep) has found the sea a rewarding scene, and in Island he takes us to the Caribbean for his strangest story yet. In a few years, more than 600 boats have disappeared in a particular area and the only man—a Coast Guard—who got alarmed about it is grounded on shore in charge of lighthouses. We witness some incidents, as swift and savage as they are bewildering and largely ignored.

But Blair Maynard, an unsettled New York journalist, feels impelled to investigate. With his young son he flies to a tiny island group, and when held up there they go fishing. From then on, Maynard learns the secret the hard way. It is a bizarre story, and though it is said to be based on historical research, I find it quite incredible.

No harm in that, however, and it makes a rattling good yarn, professionally told and constructed. Most of the characters are necessarily two-dimensional—too many come to violent ends for us to care about them—but they are varied enough. Success is predicted, and the director will have great fun with the film.

Leslie Thomas's That Old Gang of Mine could make a lively film also, for its main situation is a visually entertaining one. A depressing geriatric resort in Florida is livened up by the formation of a gang of robbers, and the "little old lady" toting a gun is the one basic joke.

Perhaps this is unfair to Thomas, but not very. His older characters have some charm; K-K-K-Katy, the gently ageing dancing girl and her fiancé, former strong man Lou the Bar-bender; and Molly Mandy who loves planning raids, dotes on wearing a hood or a mask, but doesn't like taking the money. Ari the Greek who jogs relentlessly: "While I'm running I'm living."

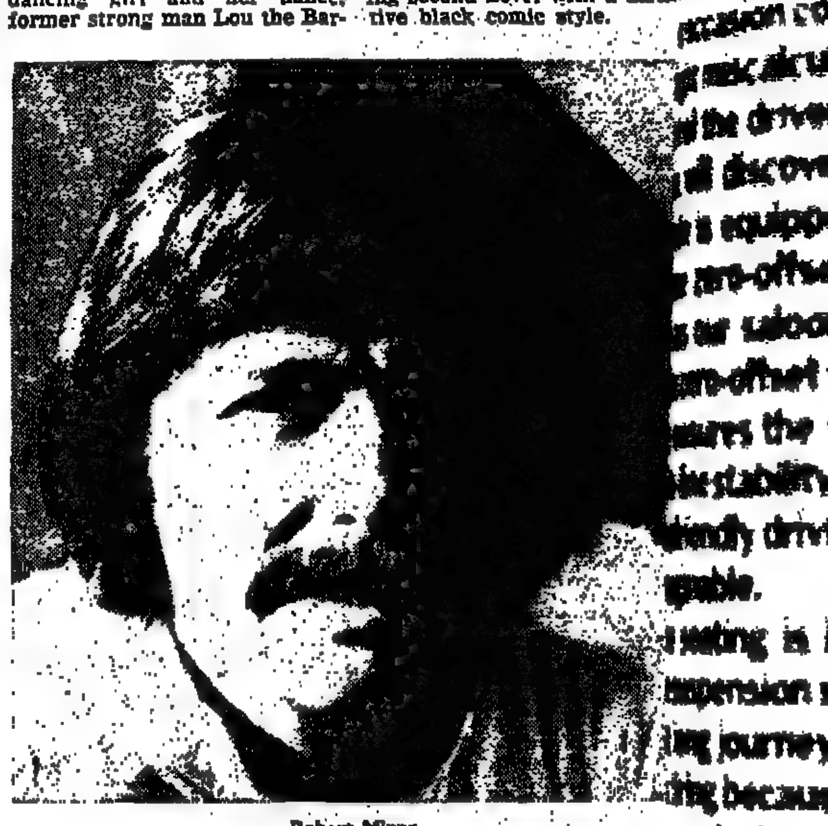
While it rather resembles an anglicised Runyon-and-water, this is mildly entertaining. But the two young men and the girl and the inevitable and quite unnecessary "bedroom" scenes in or out of doors, are predictable, dull and commonplace. Thomas clearly believes a dash of energetic sex essential to the wide market he aims at.

Donald Hutley's novel, The Swan, is set outside Brisbane and his characters have more vitality. Principally, there is Alexander Jones, former poet, former mental patient, current Santa and pie-factory cleaner. Alexander is mad and proud of it, and knows that building a boat to sail to his native Wales is a mad scheme even as he does it.

Paradoxically this makes him less mad than his protective friend, Henry Moorhouse, who employs him at the Good-O pie factory. Henry has made a pile out of pies but his ambition is limitless, and his fate inevitable. The massive automated sausage roll plant that one man can operate alone if he takes off the safety grilles, predictably swallows up Henry.

It is I think permissible to reveal this, because the book is crammed with characters whose sanity is similarly in inverse ratio to what society judges.

I think the book just a fraction too long, but it is a promising second novel with a distinctive black comic style.



Robert Miner

In the stars

BY GEORGE MALCOLM THOMSON

Astrology and the Popular Press: English Almanacs, 1500-1800. by Bernard Capp. Faber and Faber £15.00, 452 pages

"It's all go for you from the time you get up this morning, to the time you go to bed tonight... Discussions in progress afford you an opportunity to bring your companions round to your point of view." So says my favourite soothsayer addressing me and the fortunate few who are like me. I am, let me explain, a Leo.

I do not know who she means by "your companions" who are coming round to "your point of view," but time, no doubt, will show.

The point is that astrology is on the up, once more. It may no longer have the scientific prestige which it had in the days when it was almost the same thing as astronomy; the Queen probably does not read her horoscope in the evening paper with the same grave attention as the first Elizabeth listened to Dr. Dee, but the popular appeal of astrology is beyond question.

Sales of Old Moore's almanac have been soaring. "In 1975," says Dr. Capp, who has given serious study to the matter, "its print order ran to 1.75m." This is an upswing such as any popular newspaper would be proud to announce: for in the late 1920's Moore was down to a miserable 16,000.

The growth of scepticism and the decline of religious belief have coincided with an increase in the power over public feeling of what had been previously disguised as a dubious, if not indeed false, science, an aspect of magic, practically witchcraft.

It must be admitted at once that astrology has had its up and downs. Jonathan Swift in 1708 launched a most powerful attack on the most successful almanac-maker (that is prophet) of his time, John Partridge, who not only foretold what was going to happen, but did so with a strong Whig bias.

Swift's attack on Partridge was of a subtle and deadly character. He announced that Partridge would die of a fever at 11 p.m. on March 29, 1708, adding that Louis XIV would die at 6 p.m. on July 29, followed by the Pope on September 11. In due course a circumstantial account of Partridge's death appeared.

It was useless for the astrologer to protest indignantly, that he was still alive. The wits had no difficulty in refuting his arguments.

For a few years afterwards, no new editions of Partridge's almanac appeared and the Stationers' Company, his publishers decided instead to see if they could make money out of works which ridiculed him. However, it soon became clear that Partridge, dead or alive, commanded a wider market than his traducers. Astrology triumphed over the scoffers.

Partridge had already been involved in a bitter controversy during the Civil War. The Parliamentary astrologers clung to the old Ptolemiac astronomy, which put the earth at the centre of the universe, while the Royalists believed, with Copernicus, that the sun was the centre-piece. Partridge, belonging to the Ptolemy school, was fiercely involved in the struggle between the sects, denouncing a rival as one who whipped his wife "the heliocentric way" (that is sun-centred).

In those days, when religion, magic and science were all involved in complex debate, the astrologers were, on the whole, on the side of enlightenment. They thought that the earth was round and that it was separated by vast distances from other heavenly bodies. But these were opinions which it was wise to put forward with caution.

The terrible dangers of heresy and witchcraft hung over over those who upset the traditional Christian view of the universe. John Reeve, a founder of the Muggletonian sect, was safer in his belief that heaven itself was only six miles away. When Leonard Digge, in his almanac, asserted that the earth was 15,750 miles from the moon, he realised that "the common sort" would be incredulous.

The astrologers were naturally worried by the discovery that the universe was bigger than they had thought; they were prepared to recognise 1,025 stars and no more, otherwise the problem of astral influences would be too hard to manage.

A turning-point in the history of astrology came in 1583 when, on 28 April at twelve noon, a great wind would spring up, said the best-informed astrologers, marking the onset of calamities and leading to the end of the world, invariably associated with the conversion of the Jews.

The Bishop of London preached at Paul's Cross in an attempt to quieten the terror which the prediction caused.

And when the world did not end and the Jews were not converted, astrology suffered a proportionately a setback, from which it had barely recovered when 1588, announced as the Annus Mirabilis, "notorious and famous," brought the Spanish Armada. Vindicated as it appeared, astrology soldiered on.

Dr. Capp, thorough, detailed, scholarly and slyly humorous, traces the course of the science during the three centuries when its prestige was high and Leo, Aries, Sagittarius and the others reigned serenely in their spheres. These are entertaining footnotes to history.

Unknown fleet

Sink the Haguro! by John Winton, Seeley Service and Co. £7.50, 182 pages

That part of World War II which consisted of the naval war against Japan has widely been looked on not only as an American affair, but one in which the Americans positively discouraged any attempt to join in by their allies. This was felt even in the British Pacific fleet, and a member of the crew of one of the five destroyers which sank the heavy cruiser Haguro on May 15, 1945, recorded that shortly before the action he thought "how lousy if we all got killed after 'our' war was over."

In fact, our losses in the action were only two, but this should not detract from the skill and heroism displayed. Of the Nelson touch there was evidence even to the blind, shown by the commander of the flotilla to a signal ordering him to cancel the operation. The sinking of the Haguro was the last destroyer action of the war, though it had no perceptible effect on its outcome. The story of it here is given in great detail and constitutes a belated tribute to a fleet whose existence, as Lord Mountbatten commented at the time, the public at home had so much forgotten as never heard.

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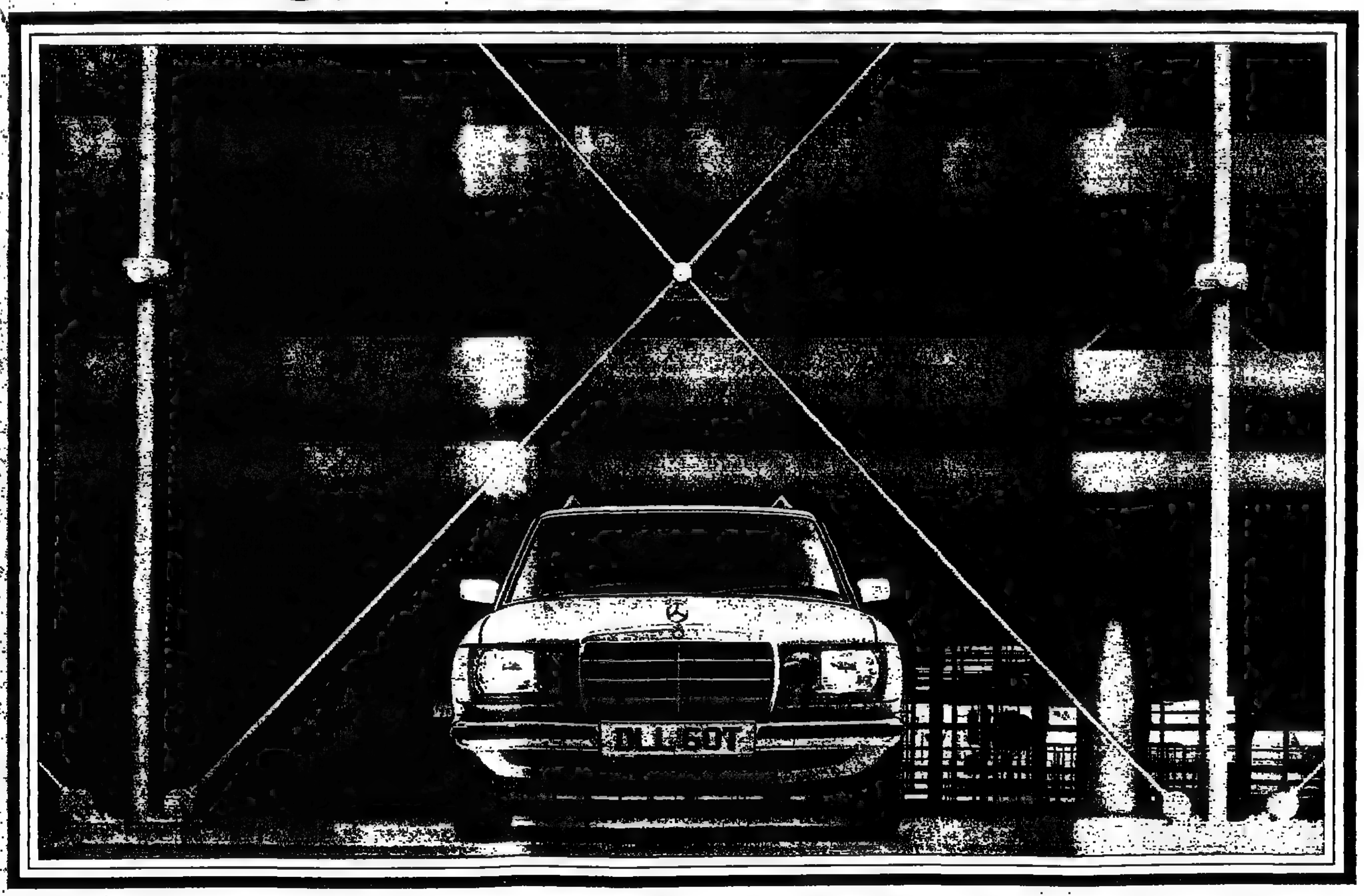

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Mercedes-Benz

APPOINTMENTS

Sir Idwal Pugh joins Halifax Building Board

Sir Idwal Pugh has been appointed *a director of the* HALIFAX BUILDING SOCIETY. Sir Idwal had a distinguished career in the Civil Service, which included appointments as deputy secretary to the Ministry of Housing and Local Government, Permanent Secretary to the Welsh Office and Second Permanent Secretary to the Department of the Environment. From 1976 to January 1979 he was Parliamentary Commissioner for Administration (Ombudsman). Since March, 1979, he has been a director of the Standard Chartered Bank and chairman of the Hodge Group.

★

Mr. Michael Cocks is leaving the partnership of GRIEVESON GRANT AND CO., stockbrokers, and will be joining T. C. COOMBS AND CO., stockbrokers, from July 2 as an adviser on the UK and Australian markets.

★

Dr. J. Dickson Mabon, MP, former Energy Minister in the Labour Government, is to become non-executive chairman of REDPATH DE GROOT CALEDONIAN, the offshore construction company, on July 4. He will take over from the present chairman, Mr. D. G. S. Waterstone, who will remain on the Board as executive deputy chairman.

★

Mr. A. W. K. Penhaligon, *director of marketing with South* Eastern Gas, has been appointed deputy chairman of the North Eastern Region of the BRITISH GAS CORPORATION from July 1. Dr. G. H. Henderson becomes computer policy manager to head the newly created BRITISH GAS computer policy group in London, and will be joining the HQ computer services department on June 25.

★

Mr. R. G. Lawson, chief accountant of the WHATLINGS group, is to become a director and also secretary. He will succeed Mr. I. C. Black, who is resigning from the board and as secretary on July 31, to take up another appointment.

★

Following the acquisition of HIGH DUTY ALLOYS EXTRUSIONS by the BRITISH ALUMINIUM COMPANY, Mr. L. S. F. Charles has become chairman and Mr. W. L. Atkinson joins the Board of HDA Extrusions. Mr. J. A. Halley, Managing director of that concern has been appointed to the Board of BA Extruded Products Division. Mr. Charles is deputy managing director of British Aluminium and Mr. Atkinson is managing director of BA Extruded Products Division. Mr. J. Shore, previously financial controller of HDA Extrusions, has been made a member of the Board as financial director.

★

Mr. David Freeland has been appointed industrial relations executive of the SHIPREPAIRERS AND SHIPBUILDERS INDEPENDENT ASSOCIATION. He was previously in the industrial relations division of the General Council of British Shipping.

★

Mr. Ronald Scheffer has been appointed a director of BRUYNZEEL STORAGE SYSTEMS.

★

Mr. James R. Stover has been elected president and chief operating officer of EATON CORPORATION. He was formerly vice-chairman, transportation products. Mr. Edmund B. Fitzgerald, vice-president, industrial products, has resigned from that position and from the Eaton Board.

★

Mr. John Ashcroft has been appointed deputy managing director of COLOROLL. Mr. Terry Robbins has been made export director on the Board and *Mr. Don Smith becomes director* of the Coloroll Packaging Division.

★

Mr. Karl-Johan Sallner has been appointed UK representative of the SKOPBANK GROUP from August 1, and will be based in London.

★

Mr. D. J. C. Sutherland, chairman and managing director of Miles Laboratories, has been elected president of the PROPRIETARY ASSOCIATION OF GREAT BRITAIN. He takes over from Mr. T. V. M. Bellm, chairman of International Laboratories, who has been president of the Association since 1977. Dr. J. B. Spooner, medical director of Sterling-Winthrop Group, has become vice-president of the Association.

★

Sir Eric Cheadle, president of the PRINTERS' CHARITABLE CORPORATION in 1974, has been re-elected chairman of the council. Lord Delfont is this year's president.

★

Mr. David Wolfson has resigned from the Board of CEDAR INVESTMENT TRUST because of pressure of other commitments.

★

Mr. John Watson has been appointed a deputy chief executive of the STOCK EXCHANGE, responsible to Mr. Robert Fell, chief executive, for general administration, services and planning. Mr. Jeffry Knight continues *to be deputy chief executive,* responsible for regulation and the external relations of the Stock Exchange.

★

Mr. R. G. Knowles has become chairman of the NORTH EAST COUNTY COUNCILS ASSOCIATION in place of Viscount Ridley. Mr. P. Dawson takes over as secretary from Mr. W. H. Fookes.

★

Mr. Tom Weatherby, managing director of Readson, has been appointed chairman of the GARMENT AND ALLIED INDUSTRIAL REQUIREMENTS BOARD of the Department of Industry. He succeeds Mr. Leslie Bamford, who has been chairman *of GARB since its inception in* 1975.

★

Air Vice-Marshall G. E. Thirlwall is to become Director of the CERAMICS GLASS AND MINERAL PRODUCTS INDUSTRY TRAINING BOARD in September on the retirement of Mr. Leonard S. Newton, who has held the post since the Board's establishment in 1965.

★

Mr. P. S. Wormald has been appointed managing director of newly-formed BABCOCK TURNKEY OPERATIONS and a director of the parent concern, Babcock Contractors. He was previously group managing director of Turriff Corporation.

★

Mr. Alastair W. Deakin has been appointed to the Board of HEWDEN-STUART PLANT.

★

Mr. W. A. Barbour has been appointed marketing director of the industrial division of the PHOENIX TIMBER COMPANY.

★

Mr. Ron Eamonson has been appointed a director and general manager of PERCY LANE LIMITED, a subsidiary of Percy Lane Group. He was previously manufacturing director at Corby for York Trailer Company.

★

Mr. Errol Bishop has been appointed deputy chairman of SYSTEMS DESIGNERS INTERNATIONAL and will be particularly involved in corporate development.

★

Sir John Barnes has been appointed a non-executive director of WHITEAWAY LAIDLAW AND CO.

★

Mr. Peter Allan and Mr. Stephen Petrie have been appointed divisional directors, overseas sales, at ARTHUR BELL AND SONS, from July 1.

★

HAMBRO LIFE has appointed Mr. Aziz Khan as executive director in charge of life and pensions administration. He will continue responsible for broker branch administration and underwriting quotations and claims departments.

★

Mr. D. G. A. Davies has been appointed director in charge of the education trading group of FISONS scientific equipment division succeeding Mr. Harold Meyer, who has retired. Mr. D. J. Westby will become group treasurer, Fisons, on July 2.

Stock Exchange dealings

Thursday, June 21	14,147
Wednesday, June 20	14,770
Tuesday, June 19	15,461
Monday, June 18	16,242
Friday, June 15	20,896
Thursday, June 14	20,375

The list below gives the prices at which bargains were done by members of the Stock Exchange and recorded in last Thursday's Stock Exchange Daily *Official List. For those securities not marked in Thursday's List,* we show the latest markings recorded during the previous four business days; these are distinguished by the dates shown in parentheses.

The number of dealings marked on Thursday in each section follows the name of the section. Unless otherwise denoted, shares are £1 fully paid and stock £100 fully paid.

Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 3.15 pm only, but later transactions can be included in the following day's Official List. The figures shown above, on the other hand, are the total number of bargains transacted in all securities up to 3.30 pm. No indication is available as to whether a bargain represents a sale or purchase. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ○ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." SA—$Australian; SB—$Bahamian; SC—$Canadian; SHK—$Hong Kong; SJ—$Jamaican; SMa—$Malayan; SMe—$Mexican; SNZ—$New Zealand; SS—$Singapore; SUS—$United States; SWI—$West Indian.

BRITISH FUNDS (537)

CORPORATIONS (21)

FREE OF STAMP DUTY

SHORT DATED BONDS FREE OF STAMP DUTY

PUBLIC BOARDS (12)

FREE OF STAMP DUTY

COMMONWEALTH GOVTS. (15)

REGISTERED AND INSCRIBED STOCKS

Antigua Government 6pc Stk. 69½ (18/6)
Australia 6pc Stk. 52⅞. 7pc Stk. 91
East Africa High Comsn (Railways and Harbours) 5½pc Stk. 74 (15/6)
New Zealand 3½pc 74 (15/6). 6pc 96⅞. 7½pc 77¼ (19/6)
South Australian 3pcIns.Stk. 20½
Southern Rhodesia 2½pc 77 (19/6) 4pc 91. 4½pcIns. 1987-92 74

FOREIGN STOCKS (1)

COUPONS PAYABLE IN LONDON

Chinese 5pcGoldBds. 1925 12 (19/6). 4½pcGoldLn. 1908 260 (18/6). Do. (French Issue) 250 (18/6). 5pcGoldLn. 1912 25 (19/6)

FOREIGN CORPS. (3)

BANKS (125)

BREWERIES (84)

COMMERCIAL (2,060)

A—B

BCC International (25p) 76½ 3 ½
BPB Industries (50p) 289 (19/6)
BPM NV B (25p) 63 5 (19/6)
BSG International (10p) 36 ⅝ ½. 12½pcLn. 92
BSR (10p) 57 5 ½
BTR (25p) 309 10. New (25p) 312 10 11
B and Q (Retail) New (5p) 84 3 2 4
Babcock and Wilcox (25p) 153½ 2 4 3
Bailey (CH) (10p) 6½ (20/6)
Baird William 175 (17/6)
Baker Perkins Holdings (50p) 158
Bakers Household Stores (Leeds) (10p) 87½
Bambers Stores (10p) 136 4. New (10p) 135 (20/6)
Barker and Dobson Group (10p) 20½ ½ 1. 12pcLn. 91 (19/6)
Barlow Rand (R0.10) 272 (15/6)
Barr (25p) 100 (15/6)
Barr Wallace Arnold Tst (25p) 119 (19/6). Do A NV 120 (20/6)
Barratt Developments (10p) 169 7 (19/6)
Barrow Hepburn (25p) 35 (20/6). 7.75pc Pf. 73 (15/6)

C—D

Dickinson Robinson (25p) 114½ 13. 7½pc Uns.Ln. 66½ (18/6)
Diploma (25p) 290
Dixons Photographic (10p) 138 4
Dobson Park Industries (10p) 108½ 8½pc Db. 76½ ¼ (15/6)
Dom Hldgs. (10p) 93 2 (18/6)
Doncaster (Daniel) Sons 11pcDb. 85

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

John Lewis sales in June ahead even of Christmas

SALES IN the John Lewis Partnership department stores last week soared to more than £10.6m—a higher level than ever before, beating even the peak week before last Christmas. "The demand for goods of all kinds can best be described as frantic," said Mr. M. J. K. Miller, deputy director of trading. "The fact that VAT increased to a rate rather higher than most people were expecting clearly added much impetus to the rush."

The percentage increase for the week on department store sales was 107.1 over the similar week last year.

Sales in Waitrose, the Partnership's food group, were also boosted by the impending VAT increase particularly in the wine trade. At nearly £5.5m sales were 33 per cent above the corresponding week last year.

Total sales at more than £16m were 74.2 per cent up on the similar week last year and for the 20 weeks to June 16 were ahead by 24.8 per cent.

Guide to Dorset country walks

THE LATEST in a series of long-distance path guides has been published for the Countryside Commission by HMSO. It covers the Dorset Coast Path and is written by Brian Jackman.

The guide covers the route from Lyme Regis in the west to Shell Bay (near Swanage) in the east. It costs £2.95.

Helping the small business

Mr. John Kenworthy, a finance consultant from Canterbury, has been commissioned to carry out research for the Small Business Bureau based at Conservative Central Office, London.

He will concentrate on the funding of small businesses and industrial growth; and on trading through small firms in open and fair competition with large state and private corporations.

CAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest %	Interest payable	Minimum sum £	Life of bond Year
ge (01-478 3020)	11¾	½-year	200	4-5
ge (01-478 3020)	12	½-year	200	6-7
(0952 505051)	12	maturity	1,000	2-3

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	*Term shares
National	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Thrift	8.25	8.75	—	—
e	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Hastings and Thanet	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
rd and Bingley	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
ater	7.75	8.00	9.50	9.50 4 yrs., 9.10 2½ yrs., 8.75 2 yrs.
and West	7.75	8.00	9.25	—
Economic	7.75	8.00	9.25	8.25 3 months' notice
ia	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
y	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
	7.75	8.50	9.50	—
c	7.50	•8.20	9.00	— • 8.40 over £5,000
l	7.75	8.00	9.25	8.75 6 mths. not. £500 min. 8.50 3 mth.
ham and Gloucester	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
s Regency	7.75	8.30	9.60	9.80 4 yrs., 9.30 3 yrs., 9.05 2 yrs.
London	8.00	8.30	9.25	9.35 3 yrs. increment share min. £500
ry Economic	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs. min., 8.50 3mths
ry Provident	7.75	8.00	10.00	9.50 4 yrs., 9.25 3 yrs., 8.75 2 yrs.
hire	7.75	8.00	9.25	8.50 up to 3 months' notice
and Acton	7.75	8.50	—	9.15 2 yrs., £2,000 minimum sum
y	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
rich	8.45	8.10	9.25	9.60 4 yrs., 9.10 3 yrs., 8.25 2 yrs.
an	7.75	8.25	8.50	9.00 3 months' notice £1,000
	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
of England	7.75	8.00	9.25	9.50 4 yrs., 8.50 3 months' notice
of Oak and Enfield	7.75	8.25	9.75	9.50 4 yrs., 9.00 2 yrs.
n	8.00	8.50	—	9.00 6 months, minimum £2,000
rsfield and Bradford	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 3 yrs.
th	7.75	8.30	9.75	9.00 3 months' notice, £250-£5,000
ngton Spa	7.85	8.10	■10.97	8.85 2 years. ■ 3 years
Permanent	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
er	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.25 3 mths.
ool	7.75	8.00	9.45	9.60 4/5 yrs., 8.60 2 yrs., min. £1,000
r Goldhawk	7.75	†8.50	†9.75	†9.25 2 yrs., †9.00 1 yr.
Mowbray	7.85	8.10	9.25	8.85 2 yrs., minimum £2,000
ngton	8.25	8.75	—	—
al Counties	8.00	8.30	9.30	9.40 6 mths., 8.75 3 mths., min. £1,000
wide	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
stle Permanent	7.75	8.00	9.30	9.50 4 yrs., 9.30 3 yrs., 9.00 2 yrs.
Cross	8.50	8.75	—	—
rn Rock	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
ch	7.75	8.00	9.50	9.00 3 yrs., 8.75 2 yrs., min. £500
ngton	7.40	8.40	10.00	9.00 3 mths., 9.25 6 mths., min. £1,000
m Mutual	8.00	8.50	—	—
an	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
pality	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 3 mths.
ssive	8.00	8.25	9.25	9.50 4 yrs., 9.00 2 yrs., 8.75 3 months
ty Owners	7.75	8.50	9.75	9.00 3 months' notice
cial	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
n	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
Mutual	7.75	8.35	10.00	9.30 3 yrs., 9.00 2 yrs., 8.75 1 yr.
and Country	7.75	8.00	10.00	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.
amstow	7.75	8.10	9.20	9.60 4 yrs., 8.85 3 mths. not. min. £500
rich	7.75	8.00	9.25	9.50 4 yrs., 9.00 3 yrs., 8.50 2 yrs.

* Rates normally variable in line with changes in ordinary share rates.

† Includes 0.25% Centenary bonus throughout 1979.

these rates are after basic rate tax liability has been settled on behalf of the investor.

CURRENCIES, MONEY and GOLD

UK MONEY MARKET

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979)

The Treasury bill rate fell by 0.1347 per cent to 13.2562 per cent at yesterday's tender, and the minimum accepted bid rose to £96.69 from £96.65. Bids at that level were met as to about 20 per cent and above in full. The £300m bills on offer attracted bids of £991.7m against £1,211.6m previously and all bills offered were allotted. Next week a further £300m will be on offer, replacing a similar amount of maturities.

In the money market the authorities bought a small amount of Treasury bills all direct from the discount houses, with the latter paying 13-13¼ per cent for secured call loans at the start and around 13 per cent at the end.

In the interbank market, week-end loans opened at 13¼-13⅝ per cent and eased to 12¼-12¾ per cent before coming back to 13¾-13⅞ per cent and soaring to 18-20 per cent. Closing balances were taken in the region of 14-16 per cent.

Rates in the table below are nominal in some cases.

EXCHANGES AND BULLION

Trading in yesterday's foreign exchange market showed no real clear trend ahead of the week-end. The U.S. dollar remained weak, but there was nothing new in the market to further its general decline. Dealers were still clearly worried over the U.S. economy, with this week's money supply figures proving to be something of a trigger point signalling a general switching out of dollars.

Sterling failed to capitalise on a weaker dollar, although earlier in the week it had tended to improve on its own merit rather than just on dollar weakness. However yesterday its trade-weighted index fell to 68.6 from Thursday's three-year peak of 68.9. Against the dollar it opened at $2.1425-2.1435 and eased to $2.1400 before recovering later in the day to touch $2.1470-2.1480. With demand for the dollar generating out of the U.S., the pound finished below its best at $2.1410-2.1420, a rise of 15 points from Thursday.

Gold continued to improve in the bullion market and reached an all-time closing high of $282¼-$283.

OTHER MARKETS

June 21	£	$		£ Note Rates
Argentina Peso	2771-2791	1293-1303	Austria	28¾-29¾
Australia Dollar	1.9180-1.9244	0.8955-0.8985	Belgium	65.60-66.60
Brazil Cruzeiro	54.58-55.58	25.40-25.85	Denmark	11.47-11.57
Finland Markka	8.38-8.40	3.8980-3.9030	France	9.17-9.27
Greek Drachma	78.129-80.012	36.50-37.35	Germany	3.92-4.02½
Hong Kong Dollar	10.92½-10.94½	5.1100-5.1120	Italy	1,765-1,805
Iran Rial	153.50-160	72-75	Japan	465-475
Kuwait Dinar (KD)	0.588-0.598	0.2758-0.2769	Netherlands	4.34-4.44
Luxembourg Frc.	63.68-63.78	29.75-29.77	Norway	10.90-11.00
Malaysia Dollar	4.6700-4.6810	2.1838-2.1848	Portugal	101-105
New Zealand Dlr.	2.1285-2.1345	0.9940-0.9966	Spain	139-142
Saudi Arab. Riyal	7.23-7.29	3.3740-3.3840	Switzerland	3.50-3.60
Singapore Dollar	4.6625-4.6755	2.1835-2.1845	United States	2.13½-2.14½
Sth. African Rand	1.80½-1.81½	0.8430-0.8475	Yugoslavia	39½-42½

Rate given for Argentina is free rate.

THE POUND SPOT AND FORWARD

June 22	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.1400-2.1480	2.1410-2.1420	0.62-0.57c pm	3.47	1.70-1.60 pm	3.08
Canada	2.5165-2.5270	2.5160-2.5175	0.72-0.62c pm	3.19	1.90-1.80 pm	2.94
Nethlnd.	4.35-4.39	4.35¼-4.36¼	2⅞-1⅞c pm	5.65	5¼-4¼ pm	4.70
Belgium	63.50-64.00	63.60-63.70	25-15c pm	3.77	60-50 pm	3.45
Denmark	11.43-11.49	11.43¼-11.44¼	1¼ore pm-¼ore dis	0.79	2¼-½ pm	0.39
Ireland	1.0625-1.0640	1.0655-1.0665	23-33p dis	−3.15	79-89 dis	−3.18
W. Ger.	3.95-3.99	3.96¼-3.97¼	3¼-2¾pf pm	8.08	8¼-7¼ pm	7.93
Portugal	104.80-105.80	104.90-105.20	40-100c dis	−8.00	135-235 dis	−7.04
Spain	141.20-142.00	141.20-141.45	80-30c pm	4.67	105-55 pm	2.26
Italy	1788-1800	1788-1790	¼-2¼ lire dis	0.84	1 pm-1 dis	par
Norway	10.91½-10.95½	10.91½-10.92½	5¾-3¼ore pm	4.67	14¼-12¼ pm	4.91
France	9.13-9.24½	9.20½-9.21½	3½-2¼c pm	3.42	7½-6½ pm	3.04
Sweden	9.16½-9.23	9.16½-9.18	3½-1½ore pm	3.27	6¾-6¼ pm	[illegible]
Japan	460-470	461½-462½	3.95-3.65y pm	9.87	9.90-9.65	8.46
Austria	29.00-29.40	29.10-29.15	20-10gro pm	6.18	47-37 pm	5.77
Switz.	3.50-3.55½	3.53¼-3.54¼	4½-3½c pm	13.55	12-11 pm	12.99

Belgian rate is for convertible francs. Financial franc 66.00-66.10c pm. Six-month forward dollar 2.80-2.75c pm, 12-month 4.90-4.80c pm.

LONDON MONEY RATES

June 22 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	12½-20	—	—	—	12¾	13-13½	—	—	—
2 days notice	—	—	13½-13¾	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	13½-13⅝	13¾	—	14⅛	13¾	13½	—	—	—
One month	13⅞-13¾	13¾-13⅞	13¾-13⅞	14½-14¼	14⅛	14¼	13⅝-13¾	13⅞	13⅞	14½
Two months	13⅞-13¾	11⅞ 11⅞	—	14¼	14⅛	14¼	13⅝	13⅞	13¾	14¼
Three months	13⅞-13¾	13¾-13⅞	13¾-13⅞	14	14⅛	—	13⅝	13⅞	13⅝	14
Six months	13½-13¼	13¼-13⅝	13⅛-13¼	13⅛-12⅝	13¾	—	—	—	12¾	13¾
Nine months	12⅞-12⅝	12⅞-13	—	13-12⅝	13¼	—	—	—	—	—
One year	12⅞-12½	12⅝-12¾	12½-12⅝	12⅞-12½	13	—	—	—	—	—
Two years	—	—	12¾-13	—	—	—	—	—	—	—

Local authority and finance houses seven days' notice, others seven days' fixed. *Long-term local authority mortgage rates nominally three years 12½-13 per cent; four years 12½-13 per cent; five years 12¾-13¼ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rate for four-months bank bills 13¾ per cent; four-months trade bills 13¾ per cent.

Approximate selling rate for one-month Treasury bills 13⅝ per cent; two-months 13⅝ per cent; three months 13¼ per cent. Approximate selling rate for one-month bank bills 13⅝ per cent; two month 13⅝ per cent; and three-month 13½ per cent, one-month trade bills 14¼ per cent; two-month 14 per cent; and three-month 13½ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 12 per cent from June 1, 1979. Clearing Bank Deposit Rates for small sums at seven days' notice 11½-12 per cent. Clearing Bank Rates for lending 14 per cent. Treasury Bills: Average tender rates of discount 13.2562 per cent.

GOLD

	June 22	June 21
Gold Bullion (fine ounce)		
Close	$282¼-283 (£131.9-132.3)	$282-282¾ (£131.60-132)
Opening	$281½-282¼ (£131.5-131.7)	$280½-281¼ (£131.60-132)
Morning fixing	$281.95 (£131.445)	$280.60 (£131.152)
Afternoon fixing	$283.45 (£132.083)	$28.250 (£131.608)
Gold Coins, domestically		
Krugerrand	$292-294 (£136½-137½)	$290¼-292¼ (£135½-136½)
New Sovereigns	$72½-74½ (£33¾-34¾)	$72¼-74¼ (£33¾-34¾)
Old Sovereigns	$92-94 (£43-44)	$92-94 (£43-44)
Gold Coins, internationally		
Krugerrand	$292-294 (£136½-137½)	$290¼-292¼ (£135½-136½)
New Sovereigns	$72½-74½ (£33¾-34¾)	$72¼-74¼ (£33¾-34¾)
Old Sovereigns	$92-94 (£43-44)	$92-94 (£43-44)
$20 Eagles	$403-408	$401-408
$10 Eagles	$227-231	$225-230
$5 Eagles	$157-162	$155-166

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one month 10.50-10.60 per cent; three months 10.50-10.60 per cent; six months 10.45-10.55 per cent; one year 10.10-10.20 per cent.

June 21	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
Short term	14¼-14½	10¼-10½	9½-10½	6¾-7	¼-⅜	5⅞-5⅞	8-8½	15-19	—	5½-5⅞
7 days' notice	14¼-14½	10⅜-10⅝	9½-10½	6¾-7	¾-1⅛	5½-5⅞	8-8½	15-16	12-12½	5⅛-5
Month	14⅛-14⅜	10½-10⅝	10⅞-11⅛	8⅛-8⅜	[illegible]	6½-5⅝	10¼-10½	11½-12½	10⅛-10⅜	5⅛-4⅝
three months	13⅞-14⅛	10½-10⅝	10⅞-11⅛	8½-8¾	⅞-1⅛	5⅞-5⅞	10⅛-10⅜	12-13	10⅛-10⅜	6⅛-5½
six months	13⅝-13⅞	10⅛-10⅜	10⅞-11⅛	9⅛-9⅜	1½-1⅝	6⅛-6¼	10⅞-10⅞	12½-13½	10⅛-10¼	6⅛-6⅛
one year	13¾-13	10¼-10½	10⅛-10½	9⅛-9⅜	2-2⅛	6½-6⅝	10⅞-11⅛	12¾-13¾	10⅛-10⅜	6-6⅞

Long-term Eurodollar: two years 9⅞-10⅛ per cent; three years 9⅞-9⅞ per cent; four years 9¾-9⅞ per cent; five years 9¾-9⅞ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-day call for guilders and Swiss francs. Asian rates are closing rates in Singapore.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU June 22	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.4582	40.4349	+2.48	+1.66	±1.53
Danish Krone	7.08592	7.26130	+2.48	+1.66	±1.635
German D-Mark	2.51064	2.51844	+0.31	−0.50	±1.1325
French Franc	5.79831	5.83946	+0.71	−0.10	±1.35
Dutch Guilder	2.72077	2.76899	+1.77	+0.96	±1.5075
Irish Punt	0.662638	0.667657	+0.76	−0.05	±1.665
Italian Lira	1148.15	1135.30	−1.12	−1.12	±4.0725

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

CURRENCY RATES

June 22	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	14	0.599244	0.631226
U.S. $	9½	1.28448	1.35505
Canadian $	11¼	1.50926	1.59354
Austria Sch.	3¾	17.8029	18.5303
Belgian F	9	38.3321	40.4280
Danish K.	8	6.88481	7.25901
D mark	4	2.38700	2.51823
Guilder	7	2.62483	2.76837
French Fr.	9½	5.54960	5.85247
Lira	10½	1077.68	1136.55
Yen	4¼	281.178	296.241
Nrwgn. K.	7	Unavail.	6.93312
Spanish Pes.	8	"	89.4673
Swedish Kr.	6½	6.53759	6.83187
Swiss Fr.	1	2.14611	2.26402

CURRENCY MOVEMENTS

June 22	Bank of England Index	Morgan Guaranty changes %
Sterling	66.6	−36.2
U.S. dollar	85.2	−8.0
Canadian dollar	80.3	−17.4
Austrian schilling	146.8	+19.1
Belgian franc	113.4	+15.2
Danish kroner	113.7	+2.8
Deutsche Mark	151.0	+42.8
Swiss franc	199.5	+84.0
Guilder	123.3	+18.6
French franc	[illegible]	−6.9
Lira	54.6	−49.1
Yen	133.4	−31.9

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

EXCHANGE CROSS RATES

June 22	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	2.142	3.973	462.0	9.213	3.543	4.358	1789.	2.517	63.73
U.S. Dollar	0.467	1.	1.855	215.7	4.302	1.654	2.035	835.4	1.175	29.76
Deutschemark	0.252	0.539	1.	116.3	2.319	0.892	1.097	450.3	0.634	16.04
Japanese Yen 1,000	2.165	4.635	8.588	1000.	19.94	7.668	9.432	3872.	5.448	137.9
French Franc 10	1.085	2.325	4.312	501.5	10.	3.845	4.730	1942.	2.732	69.18
Swiss Franc	0.282	0.605	1.121	130.4	2.601	1.	1.230	505.0	0.710	17.99
Dutch Guilder	0.229	0.491	0.912	106.0	2.114	0.813	1.	410.6	0.578	14.63
Italian Lira 1,000	0.559	1.197	2.221	258.2	5.150	1.980	2.436	1000.	1.407	35.63
Canadian Dollar	0.397	0.851	1.578	183.6	3.660	1.408	1.731	710.9	1.	25.32
Belgian Franc 100	1.569	3.360	6.233	724.9	14.46	5.559	6.837	2807.	3.949	100.

U.K. CONVERTIBLE STOCKS 22/6/79

Statistics provided by data STREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.§	Income Diff.◇	Cheap(+) Dear(−)○ Current
Associated Paper 9½pc Cv. 85-90	0.00	110.00	200.0	76-80	9.0	8.3	4.8	− 6 to 13	6.0	9.2	3.0	− 1.7
Bank of Ireland 10pc Cv. 91-96	1.20	161.00	47.6	77-80	6.3	3.8	−6.1	−10 to 3	0.0	9.4	5.5	+11.6
British Land 12pc Cv. 2002	7.71	235.00	333.3	80-97	5.1	3.6	5.2	−10 to 10	0.0	91.0	40.7	+35.5
English Property 12pc Cv. 00-05	15.31	90.00	150.0	76-84	13.6	13.6	0.8	− 1 to 17	24.2	41.8	19.7	+18.9
Hanson Trust 6½pc Cv. 88-93	[illegible]	[illegible]	[illegible]	[illegible]	7.1	7.5	1.1	− 7 to 1	5.7	3.2	−2.8	− 3.9
Slough Estates 10pc Cv. 87-90	5.50	200.00	187.5	78-85	5.0		0.6	− 2 to 10	34.1	39.7	2.8	+ 2.2
Thorn Electric 5pc Cv. 90-94	4.19	119.00	29.1	75-80	4.2	2.9	−3.1	− 7 to 2	8.7	4.5	−3.4	− 0.4
Tozer, Kemsley 8pc Cv. 1981	0.78	89.00	153.9	74-79	9.1	14.2	5.2	− 1 to 17	0.0	0.0	0.0	− 5.2
Ultramar 7pc net R.Cv.Pfd.	14.97	1.47	0.5	76-82	7.0	4.2	−9.0	− 9 to 7	21.9	25.8	2.4	+11.5
Wilkinson Match 10pc Cv. 83-98	11.10	80.00	40.0	76-83	12.5	12.8	17.0	17 to 30	28.6	31.2	3.8	−13.1

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ◇ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ○ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

Recent adverse economic factors inhibit trade in equities and Gilts—New long tap at small discount

Account Dealing Dates

Option

*First Dealings	Declarations	Last Dealings	Account Day
June 4	June 14	June 15	June 26
June 18	June 28	June 29	July 10
July 2	July 12	July 13	July 24

* "New time" dealings may take place from 9.30 am two business days earlier.

With the recent series of gloomy economic pointers still much in mind, stock markets passed a subdued session yesterday. The Bank of England's warning of a continuing squeeze on corporate earnings continued to weigh on equity sentiment and, with sterling's continuing strength still causing worries about its impact on major exporters, leading shares rarely strayed from the previous day's closing levels.

The FT 30-share index mirrored the trend, fluctuating within the limited range of only 1.4 throughout the session before closing 1.1 higher at 476.0. Among the few items of interest, P. and O. Deferred put on 3 to 96p in response to news that agreement had been reached with British Petroleum for the sale of the former's 15 per cent stake in the North Sea Beatrice Field for £32m, while GKN rose 5 to 262p on the sale of its 50 per cent shareholding in John Lysaght (Australia) to Broken Hill Proprietary.

Activity otherwise was mainly confined to companies making trading statements, but Oil shares continued to make good progress with fresh demand being stimulated by the prospect of increased revenue following pressure to raise crude oil prices further. North Sea issues were again prominent; **British Petroleum** advanced 28 more to 1210p a rise on the week of 68.

The debut of the two new tap stocks was an uninspiring as the general level of trade in Gilt-edged securities. **Treasury 12 per cent 1984**, the shorter of the two benefited from switching operations usually connected with the nearer maturities and closed at par in £50-paid form, but the long-dated **Exchequer 12¼ per cent A 1999** eased to a ¼ discount, or £14¾ in £15-paid form. Remaining longs lost around ¼ in a market subdued by recent economic pointers and by domestic inflation concerned trends; losses among the shorts were slightly heavier, partly as a result of switching to the medium tap stock. A small feature otherwise was revived and persistent investment buying in the Variable Issues which consequently improved by amounts extending to ⅜.

Corporations settled on a dull note and easiness was also apparent in Southern Rhodesian bonds, which lost a couple of points; the 2½ per cent 1965/70 shed that much to £77.

The volume of business in investment currency remained light, but sellers predominated and the premium fell 1½ further to 37¼ per cent. The cheaper rates also reflected adjustments caused by the continued firmness of the sterling exchange rate. Yesterday's SE conversion factor was 0.8791 (0.8646).

Cons. Gold Fields attracted a reasonable business in the Traded options market, recording 586 contracts out of a total of 1,026. This brought the week's daily average to 520, the lowest since early January.

Prov. Financial firm

A lethargic banking sector was featured late by a flurry of speculative interest in **Provident Financial**, which rose 6 to 92p on revived take-over speculation. Other Hire Purchases tended easier with **Wagon Finance** closing a penny off at 38p and **FNFC** a fraction lower at 6¼p; the latter's interim figures are due next Tuesday. Firm at the outset, Discount Houses drifted lower to finish mixed. **Gerrard and National** added 5 at 247p, after 250p, but **Union** slipped from 370p to end 5 down on balance at 355p. Home issues passed an uneventful session with **NatWest** settling 3 cheaper at 342p.

Insurances took a modest turn for the better and **Phoenix** rallied 4 to 240p and **Royals** 2 to 337p.

Contrasting small features in the drinks sector were **Mansfield Brewery**, up 8 at 368p on the *property revaluation plus* 200 per cent scrip issues and **Tomatin**, which gave up 4 to 162p following the chairman's statement.

Notable movements in Buildings were few with trade often down to a trickle. Renewed investment buying, however, was forthcoming for **Brown and Jackson**, which firmed 13 to 268p, while demand for **Countryside**, ahead of next Tuesday's interim results, brought a rise of 3 to 80p. **FPA Construction** showed a Press-inspired gain of a penny at 16p, but **French Kier** shed that much to 36p following the annual meeting. Occasional offerings in a thin market clipped 7 from **Wilson (Connolly)** at 165p. Among the leaders, **Blue Circle** improved 2 to 286p and, **London Brick**, despite a broker's sell recommendation, held at 65p.

In a sharply reduced trade, **ICI** hovered either side of the overnight level of 354p. **Fisons** ended marginally lower at 253p.

Viscose Dev. good

With the exception of **Marks and Spencer**, 2 harder at 114p, leading Stores turned lower. **Gussies A** declined 6 to 364p and renewed profit-taking in the wake of the proposed 20 per cent scrip issue, announced on Thursday, left **House of Fraser** down 4 at 188p. **Combined English** slipped 3 to 54p as did **British Home** to 248p. Elsewhere, **Viscose Development** stood out with a rise of 15 to 173p following the 180p per share cash offer from Pricel for the outstanding 23.58 per cent of the equity capital it does not already own. **John Michael** edged forward a penny to 36p in response to improved annual profits and **Time Products** closed a similar amount dearer at 227p after the chairman's encouraging annual report. **Northern Goldsmiths** put on 4 to 94p ahead of Monday's preliminary statement, while **Ratners**, 98p, and **James Walker**, 116p, firmed 3 apiece. **B. Paradise** hardened 2 to 16p.

Comment on the sharply higher annual profits, hefty dividend increase and proposed 100 per cent scrip-issue helped stimulate a fairly lively business in **Racal Electronics**, which improved steadily to close 8 up on the day at 470p. Other Electrical leaders traded quietly but on a firm note with **EMI** closing 3 up at 97p, after 98p, aided by Press comment.

Guest Keen moved against the trend in leading Engineers to close 5 to the good at 263p in response to news of the sale of its 50 per cent stake in John Lysaght (Australia) to Broken Hill Proprietary. Among secondary issues, **Amalgamated Power** were vulnerable to selling in an unwilling market and fell 10 to 100p. **British Aluminium**, down 7 more at 223p, encountered fresh scattered offerings, while **Vosper**, 228p, and **Wolseley-Hughes**, 270p, gave up 5 apiece. The second-half profits downturn prompted a reaction of 4 to 72p in **Butterfield-Harvey**, while lower annual profits led **Triplex Foundries** a penny easier at 85p. **Jenks and Cattell** closed 5 cheaper at 93p following news that Armstrong Equipment *does* not intend increasing its offer.

Foods proved sensitive to early small offerings, but subsequently steadied as the selling petered out. **British Sugar**, a touch easier at first, finished a penny higher on balance at 158p, after Press comment drawing attention to benefits for the company of a 5 per cent devaluation in the Green Pound. Among Supermarkets, **Cartiers**, at 130p, relinquished a penny of the recent speculative gain which stemmed from a revival of bid rumours. **Watson and Philip** remained at 48p; the price published in yesterday's issue was incorrect.

Publicity given to a broker's bullish circular failed to stimulate interest in **Trusthouse Forte**, which held at 160p, while Press comment highlighting bid possibilities made no impact on **Comfort Hotels**, ½ easier at 27p.

Metal Box down again

Still overshadowed by the Bank of England's gloomy projections about company profits in its quarterly bulletin, miscellaneous industrial leaders remained friendless. Additionally aggravated by a chart "sell" recommendation, **Metal Box** fell away to sustain the heaviest fall of 10 at 274p to take its decline on the week to 28. **Reckitt and Colman** gave up 7 to 438p and **Unilever** dipped 5 to 577p as did **Pilkington** to 310p. Secondary issues were notable for a late fall of 10 to 58p in **Hightgate and Job** on the omission of a final dividend and annual deficit. Details of the proposed £4m rights issue prompted a fall of 5 to 54p, after 53p, in **Hargreaves** and **ICL** cheapened 5 further to 452p *on fresh concern over the* possibility that the NEB might soon sell its 24.42 per cent shareholding. The Board's warning about current year prospects brought selling pressure to bear on **Wilkinson Match** and the close was 10 easier at 165p, but buying on consideration of the group's North Sea-oil interest helped **I. C. Gas** advance 11 to 488p. Renewed speculative demand in a thin market left **Maynards** 4 dearer at 150p and 18 higher on the week.

Following flurries of speculative activity earlier in the week, dealings in **Heron Motor** were suspended at 56p, the company announcing an *approach* with the view to a possible merger; dealings are expected to be resumed on Monday. Other Distributors, having enjoyed a good run recently, drifted lower mainly owing to an investment apathy. **Harold Perry** were particularly hard hit, falling 8 to 133p, while **F. G. Gates** eased 3 to 60p. **Kennings** shed a penny to 66½p in front of Monday's half-time results.

Apart from **Samuel**, up 6 at 115p, following Press comment on the company's net asset value after the sale of two German office blocks, Properties made only modest progress. **Land Securities** and **British Land** improved 2 apiece to 282p and 69p respectively, while **Capital and Counties** hardened a penny to 86p. Elsewhere, **Daejan** found fresh support and added 4 more at 152p. **Property Holding and Investment** firmed 5 to 375p in a thin market, but **Bradford** eased 13 *to 405p on consideration of* the recent annual results.

BP good again

In complete contrast to the low level of business apparent elsewhere, a useful trade was transacted in Oils. Buyers were again influenced by increased earnings potential given the prospect of higher crude oil prices. Renewed investment support took **British Petroleum** up 28 to 1210p for a gain on the week of 68. **Shell** firmed 4 to 378p, while in secondary issues, **Ultramar** put on 12 to 318p, **Tricentrol** 8 to 248p, and **Oil Exploration** 6 to 290p. **Siebens (U.K.)** picked up 10 to 234½p and **Burmah** firmed 3 to 134p.

Investment Trusts traded quietly to close with falls extending to 4. In Financials, **Robert Kitchen Taylor** lost 7 of the recent speculative rise at 170p, but **Akroyd and Smithers** were helped by favourable Press comment and improved 2 to 230p.

P & O touched 98p following *confirmation that BP is to* purchase its North Sea oil interests for around £32m before late selling brought a close of 96p for a *net rise of* 3. Elsewhere in Shippings, a good turnover developed in **Furness Withy**, 8 better at 296p, as the boardroom tussle KCA and Eurocandian increases; **European Ferries**, which holds a 5 per cent stake in Furness, eased 6 to 141p on fears that it could be drawn into the dispute.

Company statements provided Plantations turned lower again, mainly reflecting the lower dollar premium. **Bertam**

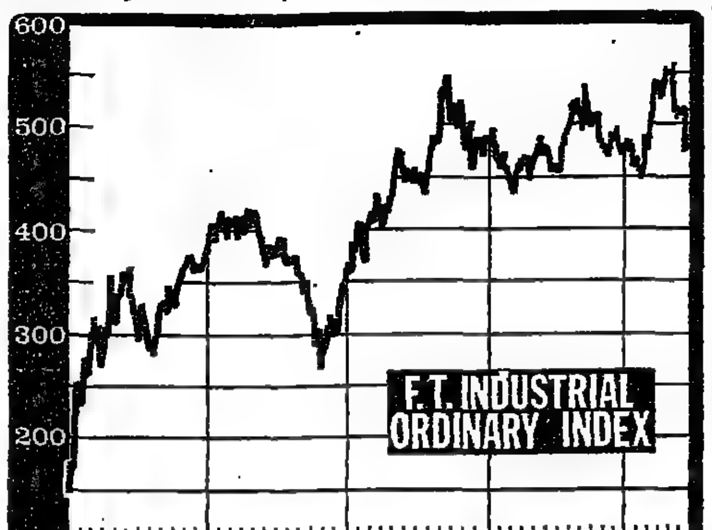
RTZ lose ground

UK-registered Mining Financials were weaker as moderate selling found buyers scarce. **Rio Tinto-Zinc** broke its habitual link with the industrial market and *fell 9 to 282p*, while **Selection Trust** were 10 easier at 524p and **Charter** fell 3 to 138p. **Consolidated Gold Fields**, made less attractive by the lower investment dollar premium as an entry into gold, were 5 down at 227p.

Although South African Financials were slightly better in dollar terms, the flatness of the premium led to falls in sterling prices, with **De Beers** 9 off at 394p and **Amgold** ½ easier at £20. But busines was slack.

The market for South African Golds was also quiet, but the tone, in dollar terms, remained firm as the bullion price first eased and then strengthened to a record close. However, premium consideration left sterling prices mixed, as **West Driefontein** fell ½ to £26⅞ and **FS Geduld** rose ⅛ to £14¼. The Gold Mine Index was 1.4 lower at 185.4 and the ex-premium index was 1.5 up at 163.0.

Following rises in Sydney overnight, Australians had a steady undertone, but the lower premium took prices down slightly except for special situations. Th



FINANCIAL TIMES STOCK INDICES

—	June 22	June 21	June 20	June 19	June 18	June 15	A year ago
Government Secs.	70.60	70.78	70.88	70.86	70.50	70.24	69.21
Fixed Interest	72.53	72.61	72.61	72.74	72.44	72.38	71.62
Industrial	476.0	474.9	485.1	486.6	482.9	478.5	456.3
Gold Mines	185.4	186.8	189.2	183.9	186.2	179.0	161.5
Gold Mines (Ex-$ pm)	163.0	161.5	164.3	161.9	164.8	159.5	107.7
Ord. Div. Yield	5.94	5.97	5.87	6.07	6.11	6.17	5.79
Earnings, Yld. % (full)	16.18	16.26	16.01	15.98	16.08	16.33	16.74
P/E Ratio (net) (*)	7.88	7.85	7.97	7.99	7.93	7.87	8.01
Total bargains	14,420	14,147	14,770	16,461	16,242	20,896	—
Equity turnover £m	—	83.85	65.83	58.88	74.89	113.67	91.94
Equity bargains total	—	11,371	10,948	10,832	13,517	16,199	15,689

10 am 475.7. 11 am 476.0. Noon 475.3. 1 pm 474.8.
2 pm 474.8. 3 pm 475.2.
Latest Index 01-246 8026.

* Nil = 7.57.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. Ex premium index started June. 1972. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1979 High	1979 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.91 (4/5)	64.64 (8/2)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.76 (5/5)	66.03 (approx.) (15/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	558.6 (4/5)	446.1 (approx.) (12/2)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	208.4 (6/6)	129.9 (17/4)	442.3 (22/5/75)	43.5 (26/10/71)
Gold Mines (Ex-$ pm)	169.5 (6/6)	95.2 (2/11)	337.1 (approx.) (3/4/74)	54.3 (25/6/78)

S.E. ACTIVITY

	June 22	June 21
—Daily		
Gilt Edged	98.8	115.6
Industrials	109.9 (approx.)	126.0
Speculative	24.6	21.7
Totals	72.2	81.7
5-d'y Av'r'ge		
Gilt Edged	110.7	109.7
Industrials	124.8	136.2
Speculative	27.8	30.0
Totals	80.1	85.9

RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	6	83	18	187	[illegible]	112
Cpn. Dom. & Foreign Bonds	—	14	51	57	40	228
Industrials	122	388	904	1,377	1,478	4,215
Financial and Prop.	81	165	279	469	665	1,401
Oils	22	2	14	88	19	83
Plantation	1	15	18	27	50	88
Mines	16	78	48	228	232	250
Others	22	68	62	237	220	280
Totals	248	793	1,382	2,670	2,824	8,823

LONDON TRADED OPTIONS

Option	Ex'rc'se price	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Jan. Closing offer	Jan. Vol.	Equity close
BP	1150	82	—	122	1	—	—	1205p
BP	1200	40	2	94	—	162	1	"
BP	1300	10	13	62	1	116	21	"
Cons. Gold	180	49	46	59	—	—	—	227p
Cons. Gold	220	14	108	22	—	32	—	"
Cons. Gold	240	4½	151	14	45	21	—	"
Cons. Gold	260	2	110	8	53	14	—	"
Cons. Gold	280	1	74	4	—	8	—	"
Courtaulds	110	¼	—	2	—	5	2	95p
Courtaulds	120	½	33	1	—	3	—	"
GEC	330	33	—	49	6	—	—	355p
GEC	360	13	—	31	—	47	4	"
GEC	390	4	39	17	—	32	—	"
GEC	420	2	—	11	1	23	—	"
GEC	460	½	—	6	1	14	—	"
Grand Met.	128	7½	—	14	3	—	—	131p
Grand Met.	138	3½	—	8	44	18	13	"
Grand Met.	158	1½	—	6	6	9	1	"
Land Secs.	300	4	10	14	—	25	—	283p
Land Secs.	330	1	—	7	—	13	10	"
Marks & Sp.	90	24	—	28	6	—	—	113p
Marks & Sp.	100	16	5	20	5	—	—	"
Marks & Sp.	130	1	—	4	10	10	—	"
Shell	325	60	2	66	—	—	—	378p
Shell	375	21	8	35	—	47	—	"
Shell	400	8	5	21	—	30	15	"
Totals			606		179		65	
		August		November		February		
Boots	200	7	5	17	—	21	—	195p
Boots	240	½	18	3½	—	—	—	"
EMI	90	16	—	21	5	28	—	97p
EMI	100	10	20	16	—	21	—	"
EMI	110	7	3	11	—	16	—	"
Imperial Gp.	100	3	11	6	—	9	—	93p
Imperial Gp.	110	1½	15	4	—	—	—	"
RTZ	280	23	—	35	—	44	6	282p
RTZ	300	11	10	25	—	34	—	"
RTZ	360	2	30	8	65	—	—	"
Totals			110		60		5	

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979 high	1979 low
BP	£1	11	1,210	+28	1,246	882
Racal Electronics	25p	11	470	+8	495	337
Ultramar	25p	9	318	+12	318	210
Cons. Gold Fields	25p	8	227	−5	268	178
European Ferries	25p	8	141	−6	183	121
Metal Box	£1	8	274	−10	358	274
Shell Transport	25p	8	378	+4	402	278
ICI	£1	7	354	—	415	346
LASMO	25p	7	258	+2	258	124
RTZ	25p	7	282	−9	362	226
BAT Inds.	25p	6	271	−5	362	263
GEC	25p	6	355	+2	456	311
Grand Met. 'New'	Nil/pd.	6	5pm	−1	16pm	5pm
GKN	£1	6	262	+5	308	226
P & O Defd.	£1	6	96	+3	104	71

The above list of active stocks is based on the number of bargains recorded yesterday in the Official List and under Rule 163(1) (e) and reproduced today in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1979 high	1979 low
BP	£1	58	1210	+68	1246	882
GEC	25p	52	355	−7	456	311
Grand Met. 'New'	Nil/pd.	50	5pm	−5½pm	16pm	5pm
ICI	£1	49	354	+1	415	346
Shell Transport	25p	40	378	+18	402	278
LASMO	25p	39	258	+32	258	124
Beecham	25p	38	525	−5	755	522
Barclays Bank	£1	36	438	−10	514	360
BAT Inds.	25p	35	271	+3	362	263
Burmah Oil	£1	34	134	+8	134	82
RTZ	25p	34	282	−18	362	226
House of Fraser	25p	31	188	+8	200	125
Marks & Spencer	25p	31	114	+4	134	83
NatWest	£1	31	342	−6	406	278
EMI	50p	30	97	—	144	94

BASE LENDING RATES

A.B.N. Bank	14 %	■ Hambros Bank	14 %
Allied Irish Banks Ltd.	14 %	■ Hill Samuel	§14 %
Amro Bank	14 %	C. Hoare & Co.	†14 %
American Express Bk.	14 %	Julian S. Hodge	15 %
A P Bank Ltd.	14 %	Hongkong & Shanghai	14 %
Henry Ansbacher	14 %	Industrial Bk. of Scot.	12 %
Associates Cap. Corp.	14 %	Keyser Ullmann	14 %
Banco de Bilbao	14 %	Knowsley & Co. Ltd.	15½ %
Bank of Credit & Cmce.	14 %	Lloyds Bank	14 %
Bank of Cyprus	14 %	London Mercantile	14 %
Bank of N.S.W.	14 %	Edward Manson & Co.	15 %
Banque Belge Ltd.	14 %	Midland Bank	14 %
Banque du Rhone et de la Tamise S.A.	14½ %	■ Samuel Montagu	14 %
Barclays Bank	14 %	■ Morgan Grenfell	14 %
Bremar Holdings Ltd.	15 %	National Westminster	14 %
Brit. Bank of Mid. East	14 %	Norwich General Trust	14 %
■ Brown Shipley	14 %	P. S. Refson & Co.	14 %
Canada Perm't Trust	14 %	Rossminster	14 %
Cayzer Ltd.	14 %	Ryl. Bk. Canada (Ldn.)	14 %
Cedar Holdings	14 %	Schlesinger Limited	14 %
■ Charterhouse Japhet	14 %	E. S. Schwab	15 %
Choulartons	14 %	Security Trust Co. Ltd.	15 %
C. E. Coates	14 %	Shenley Trust	16 %
Consolidated Credits	14 %	Standard Chartered	14 %
Co-operative Bank	*14 %	Trade Dev. Bank	14 %
Corinthian Secs.	14 %	Trustee Savings Bank	14 %
Credit Lyonnais	14 %	Twentieth Century Bk.	15 %
The Cyprus Popular Bk.	14 %	United Bank of Kuwait	14 %
Duncan Lawrie	14 %	Whiteaway Laidlaw	14½ %
Eagil Trust	14 %	Williams & Glyn's	14 %
English Transcont.	14 %	Yorkshire Bank	14 %
First Nat. Fin. Corp.	14 %		
First Nat. Secs. Ltd.	14 %		
■ Antony Gibbs	14 %		
Greyhound Guaranty	14 %		
Grindlays Bank	‡14 %		
■ Guinness Mahon	14 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 11½%, 1-month deposits 11¾%.
† 7-day deposits on sums of £10,000 and under 11½%, up to £25,000 12%, and over £25,000 12¼%.
‡ Call deposits over £1,000 11½%.
§ Demand deposits 11½%.

OPTIONS

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Jun. 12	Jun. 25	Sep. 6	Sep. 18
Jun. 26	July 9	Sep. 20	Oct. 2
July 10	July 23	Oct. 4	Oct. 16

For rate indications see end of Share Information Service

The Option market attracted only a small volume of business and calls were done in MFI, Lonrho, Premier Oil, Charterhall, Belhaven Breweries, Westland Aircraft, Comfort Hotels, South Crofty, BP, J. E. Sanger and Ultramar. A put was done in Hanson Trust, while a double option was arranged in Lonrho.

NEW HIGHS AND LOWS FOR 1979

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979.

NEW HIGHS (11)

STORES (2)
Dewhirst — Ratners

INDUSTRIALS (1)
Grovebell

NEWSPAPERS (1)
Home Counties

SHIPPING (1)
Lon. & O'seas. Frghtrs.

TOBACCOS (1)
Siemssen, Hunter

OILS (3)
LASMO — Viking Oil
Tricentrol

MINES (2)
Central Pacific — Southern Pacific

NEW LOWS (79)

AMERICANS (17)
Baker Intl. — Kaiser Aluminium
Brunswick Corp. — Morgan (J. P.)
Caterpillar — Norton Simon
Coltgate-Palmolive — Owens Illinois
Colt Inds. — Saul (B. F.)
Gillette — Shell Oil
Honeywell — Singer
I.B.M. Corp. — Transamerica
Ingersoll-Rand

CANADIANS (1)
Bell Canada

BANKS (3)
Bankers N.Y. — Wagon Finance
Hongkong & Shanghai

BUILDINGS (4)
Bett Bros. — Cement-Roadstone
Brownlee — Mowlem (J.)

CHEMICALS (2)
Anchor Chem. — Thurgar Bardex

ELECTRICALS (1)
BSR

ENGINEERING (9)
Amal. Power — Neepsend
British Northrop — Northern Eng.
Danks Gowerton — Stone-Platt
Halliee — Woodhouse & Rixson
Ley's Foundries

HOTELS (1)
Comfort Intl.

INDUSTRIALS (14)
Beecham — Kennedy Smale
Embart Corp. — Metal Box
English China Clays — Reckitt & Colman
Gestetner A — Renown Inc.
Glaxo — Swire Pacific
Hargreaves — Wheelock Marden
Jardine Matheson — Wilkinson Match 10pc Conv.

INSURANCE (2)
Mines Hldgs. — Travelers

MOTORS (3)
Volvo — Kenning Motor
Hurst (Chas.)

PROPERTY (2)
HK Land — Swire Properties

TEXTILES (3)
Beales (J.) — Rivington Reed
Courtaulds

TRUSTS (12)
Anglo Amer. Secs. — Scottish Inv.
Caledonian Trust B — Stockholders Inv.
London & Gartmore — Tribune Invest.
London & Provincial — Challenge Corp.
Montagu Boston War. — Haw Par
Scottish Eastern Inv. — Mase Mortgage

OVERSEAS TRADERS (2)
Aust. Agricultural — Sime Darby

MINES (2)
Peko-Wallsend — Tongkah Harbour Tin

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p	+ or −	Div. p or Amount	Times Covered	Gross Yield	P.E. Ratio
60	F.P.	11/7	91	76	B & Q (Retail) 5p	84	−½	2.46	2.8	2.9	18.0
‡115	F.P.	—	207	157½	‡Baker (John)	200	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Fulcrum Inv. Income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Do. Capital	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Rock Darham	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Rockwell Intl. Corp.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	How'rd Wyndh'm 9% Cnv. Cum. Red. Prf.	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Kwik-Fit Tyres 8% Cnv. Ln. 1979/85	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Portsmouth Water 8% Red. Pf. 1984	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Slough Ests. 8% Cnv. 1991-94	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	York Water 12% Deb 1986	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date	1979 High	1979 Low	Stock	Closing Price p	+ or −
36	[illegible]	[illegible]	[illegible]	[illegible]	Causton Sir J.	[illegible]	[illegible]
52	[illegible]	[illegible]	[illegible]	[illegible]	Combined English Stores	[illegible]	[illegible]
25	[illegible]	[illegible]	[illegible]	[illegible]	Edwards Louis C.	[illegible]	[illegible]
126	[illegible]	[illegible]	[illegible]	[illegible]	Grand Metropolitan	[illegible]	[illegible]
12	[illegible]	[illegible]	[illegible]	[illegible]	Hampton Trust	[illegible]	[illegible]
110p	[illegible]	[illegible]	[illegible]	[illegible]	Intl. Timber	[illegible]	[illegible]
154	[illegible]	[illegible]	[illegible]	[illegible]	MEPC	[illegible]	[illegible]
85	[illegible]	[illegible]	[illegible]	[illegible]	P.M.A. Holdings	[illegible]	[illegible]
210	[illegible]	[illegible]	[illegible]	[illegible]	Peterson Tennant	[illegible]	[illegible]
20	[illegible]	[illegible]	[illegible]	[illegible]	Provincial Laundries	[illegible]	[illegible]
118	[illegible]	[illegible]	[illegible]	[illegible]	Pullman R. & J.	[illegible]	[illegible]
60	[illegible]	[illegible]	[illegible]	[illegible]	Scot. Met. Prop.	[illegible]	[illegible]
115	[illegible]	[illegible]	[illegible]	[illegible]	Simon Engineering	[illegible]	[illegible]
265	[illegible]	[illegible]	[illegible]	[illegible]	Smurfit Jefferson	[illegible]	[illegible]
150	[illegible]	[illegible]	[illegible]	[illegible]	Standard Chartered Bank	[illegible]	[illegible]
455	[illegible]	[illegible]	[illegible]	[illegible]	Tilling Thomas	[illegible]	[illegible]
138	[illegible]	[illegible]	[illegible]	[illegible]	Tricentrol	[illegible]	[illegible]
175	[illegible]	[illegible]	[illegible]	[illegible]	UDS	[illegible]	[illegible]
93	[illegible]	[illegible]	[illegible]	[illegible]	Weeks Associates	[illegible]	[illegible]
20	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri., June 22, 1979 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thurs., June 21 Index No.	Wed., June 20 Index No.	Tues., June 19 Index No.	Mon., June 18 Index No.	Year ago (approx.) Index No.	1979 High		1979 Low		Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (172)	243.17	−0.4	17.47	5.48	7.50	244.08	247.89	249.18	246.84	208.64	287.87	(4/5)	219.99	(12/2)	287.87 (4/5/79)	50.71 (13/12/74)
2	Building Materials (27)	225.32	−0.5	17.78	5.56	7.50	226.51	230.12	231.50	229.19	186.95	270.52	(8/5)	195.11	(12/2)	270.52 (8/5/79)	44.27 (11/12/74)
3	Contracting, Construction (28)	360.92	−0.5	24.86	5.74	5.07	362.84	365.61	366.34	362.03	332.93	451.74	(4/5)	323.88	(12/2)	451.74 (4/5/79)	71.48 (2/12/74)
4	Electricals (14)	576.01	+0.3	13.39	3.22	10.29	574.03	590.64	595.95	592.13	443.25	698.53	(4/5)	518.81	(12/2)	698.53 (4/5/79)	84.71 (25/6/62)
5	Engineering Contractors (12)	360.51	−1.3	20.10	6.37	6.37	365.41	366.33	365.65	362.90	308.73	429.70	(4/5)	338.08	(12/2)	429.70 (4/5/79)	64.39 (2/1/75)
6	Mechanical Engineering (75)	184.95	−0.9	17.86	6.05	7.27	186.66	188.21	189.73	187.66	167.90	211.08	(8/5)	171.47	(8/2)	211.08 (8/5/79)	45.43 (6/1/75)
8	Metals and Metal Forming (16)	168.26	—	19.19	8.89	6.53	168.25	169.93	169.26	167.36	161.02	192.29	(4/5)	153.60	(12/2)	192.29 (4/5/79)	49.65 (6/1/75)
11	CONSUMER GOODS (DURABLE) (52)	231.56	—	14.99	4.74	8.81	231.60	233.89	233.48	230.63	192.63	259.88	(8/5)	196.23	(8/2)	259.88 (8/5/79)	38.39 (6/1/75)
12	Lt. Electronics, Radio, TV (16)	315.80	+0.2	11.71	3.53	12.03	315.10	317.77	316.45	312.31	227.66	352.61	(8/5)	253.08	(8/2)	352.61 (8/5/79)	42.85 (13/12/74)
13	Household Goods (12)	161.46	−0.3	17.31	6.95	7.74	161.94	162.66	162.59	162.45	173.42	180.81	(8/5)	157.33	(12/2)	263.22 (4/5/72)	63.92 (17/12/74)
14	Motors and Distributors (24)	118.55	−0.5	21.84	6.99	5.61	119.18	120.83	121.23	119.68	121.10	136.66	(4/5)	108.68	(12/2)	170.59 (15/1/69)	19.91 (6/1/75)
21	CONSUMER GOODS (NON-DURABLE) (171)	234.67	−0.3	16.12	5.55	7.87	235.40	238.48	238.34	235.24	195.51	269.81	(4/5)	202.54	(12/2)	269.81 (4/5/79)	61.41 (13/12/74)
22	Breweries (14)	270.43	−0.1	15.06	5.47	7.95	270.79	275.02	276.07	272.24	219.71	306.13	(4/5)	220.79	(16/2)	306.13 (4/5/79)	69.47 (13/12/74)
23	Wines and Spirits (6)	300.40	−0.8	15.64	4.80	9.32	302.91	305.72	304.91	307.74	246.82	352.29	(29/3)	279.15	(2/1)	352.29 (29/3/79)	78.88 (13/12/74)
24	Entertainment, Catering (17)	303.69	+0.4	16.38	6.64	8.04	302.34	310.07	308.21	307.22	243.49	374.32	(3/5)	266.58	(12/2)	374.32 (3/5/79)	54.83 (9/1/75)
25	Food Manufacturing (19)	214.46	−0.6	18.40	5.10	6.75	215.69	218.05	218.04	215.75	191.75	236.75	(4/5)	193.52	(12/2)	236.75 (4/5/79)	59.67 (11/12/74)
26	Food Retailing (15)	292.96	−0.3	11.98	4.06	10.37	293.76	297.14	297.52	293.28	197.67	332.56	(8/5)	223.66	(12/2)	332.56 (8/5/79)	54.25 (11/12/74)
32	Newspapers, Publishing (12)	429.68	−0.4	22.12	5.87	6.42	431.54	433.99	427.27	419.14	358.47	492.56	(8/5)	366.88	(2/1)	492.56 (8/5/79)	55.08 (6/1/75)
33	Packaging and Paper (15)	129.14	−0.5	22.01	8.26	5.89	129.82	132.86	133.64	131.64	134.09	155.12	(4/5)	128.90	(12/2)	155.65 (14/9/78)	43.46 (6/1/75)
34	Stores (41)	239.39	−0.1	11.80	4.09	11.39	239.64	241.74	242.10	237.62	174.46	273.48	(4/5)	186.40	(12/2)	273.48 (4/5/79)	52.63 (6/1/75)
35	Textiles (23)	164.94	−0.2	21.82	9.13	5.87	165.30	168.52	168.40	166.64	172.90	191.61	(28/3)	164.94	(22/6)	235.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	238.68	−1.1	23.79	8.26	4.83	241.26	244.23	241.75	237.69	244.84	294.86	(12/3)	232.55	(14/6)	339.16 (2/8/72)	94.34 (13/6/62)
37	Toys and Games (6)	74.40	−1.6	30.41	8.74	3.94	75.59	75.59	76.22	73.84	104.17	96.89	(29/3)	73.15	(15/6)	135.72 (16/1/70)	20.92 (6/1/75)
41	OTHER GROUPS (99)	202.23	−0.5	15.72	6.07	7.89	203.28	206.46	206.22	203.98	192.42	234.76	(8/5)	187.78	(12/2)	234.76 (8/5/79)	58.63 (6/1/75)
42	Chemicals (18)	286.00	−0.3	17.74	6.61	6.58	286.94	293.22	292.19	289.31	275.40	329.77	(4/5)	268.31	(12/2)	329.77 (4/5/79)	71.20 (1/12/74)
43	Pharmaceutical Products (7)	216.50	−0.4	12.69	5.04	9.81	217.30	220.93	220.66	219.88	251.72	285.48	(28/3)	216.50	(22/6)	291.13 (14/9/78)	216.50 (22/6/79)
44	Office Equipment (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45	Shipping (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46	Miscellaneous (58)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49	INDUSTRIAL GROUP (494)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
51	Oils (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
59	500 SHARE INDEX	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
61	FINANCIAL GROUP (115)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
62	Banks (6)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
63	Discount Houses (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
64	Hire Purchase (5)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65	Insurance (Life) (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	Insurance (Composite) (8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67	Insurance Brokers (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68	Merchant Banks (14)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69	Property (42)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70	Miscellaneous (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71	Investment Trusts (111)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81	Mining Finance (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST PRICE INDICES

	British Government	Fri., June 22	Day's change %	xd adj. today	xd adj. 1979 to date
1	Under 5 years	[illegible]	[illegible]	[illegible]	[illegible]
2	5-15 years	[illegible]	[illegible]	[illegible]	[illegible]
3	Over 15 years	[illegible]	[illegible]	[illegible]	[illegible]
4	Irredeemables	[illegible]	[illegible]	[illegible]	[illegible]
5	All stocks	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST YIELDS Br. Govt. Av. Gross Red.

			Fri., June 22	Thurs., June 21	Year ago (approx.)	1979 Highs	1979 Lows
1	Low Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4	Medium Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7	High Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8		15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9		25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10	Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

		Fri., June 22 Index No.	Yield %	Thur. June 21	Wed. June 20	Tues. June 19	Mon. June 18	Fri. June 15	Thur. June 14	Wed. June 13	Year ago (approx.)	1979 Highs	1979 Lows	Since Compilation Highs	Since Compilation Lows
15	20-yr. Red. Deb. & Loans (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
16	Investment Trust Prefs. (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17	Coml. and Indl. Prefs. (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity Section or Group	Base Date	Base Value	Equity Section or Group	Base Date	Base Value
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

† Redemption yield. A list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p. A fortnightly record of group and sub-section indices, dividend yields and earnings figures since 1962, with quarterly highs and lows of the indices, is obtainable from FT Business Enterprises, 10 Bolt Court, London, EC4, at £8 per copy.

AUTHORISED UNIT TRUSTS

INSURANCE AND PROPERTY BONDS

OFFSHORE AND OVERSEAS FUNDS

Jardine Flem. Int.	US$12.86	.....	0.80
Intl. Pac. Secs. (Inc.)	US$13.27	.....	1.30
Do. (Accum.)	US$13.46	.....	—

NAV June 29. *Equiv. US$76.26. Next sub. day July 15.

Leopold Joseph & Sons (Guernsey)
Hirzel Ct., St. Peter Port, Guernsey. 0481-26648.

L.J. Sterling Fund	£10.08	10.09	.....	—

TMT Ltd. June 14	£10.81	11.09	.....	1.06

World Wide Growth Management
10a, Boulevard Royal, Luxembourg

Worldwide Gth Fd	US$18.33	+0.14	—

Wren Commodity Trust
10, St. George's St., Douglas IoM 0624 25015

Wren Commod. Tst.	38.0	38.4	.....	—

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ¶ Guernsey gross. ‡ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

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Financial

1979 High	Low	Stock	Price £	+ or −	Int. Yield	Red. Yield
103¼	98¾	FFI 13pc 1981	99½	......	13.13	13.31
107	100	Do. 14pc '79	101	......	14.24	—
108¼	99¼	Do. 14pc '83	102½	......	13.66	13.23
86½	77½	ICFC 5½pc Deb. '80-82	82½	−½	6.80	12.60
85	71½	Do. 6¾pc Db. '81-84	76	......	8.32	12.70
99	84½	Do. 10¼pc Uns Ln. '86	89½xd	......	11.73	12.90
99	84½	Do. 11pc Uns. Ln. '88	89½xd	......	12.29	12.90
101½	84	Do. 11¼pc Uns. Ln. '90	92xd	......	12.77	13.20
72½	57	Do. 7¼pc A Deb. '89-92	63½xd	......	11.42	13.10
69	53½	Do. 7½pc A Db. '91-94	63½	......	11.81	13.20
81½	64½	Do. 9pc 'A' '91-94	75½	......	13.30	13.10
78½	62½	Do 8¾pc Ln. '92-97	73½	−½	12.69	13.45
101	95½	Do. 12½pc. Uns. Ln 1992	96½	......	13.29	13.50

FOREIGN BONDS & RAILS

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

S.E. List Premium 13¾% (based on US$2.1450 per £1)
Conversion factor 0.6791 (0.6646)

CANADIANS

S.E. List Premium 13¾% (based on $2.5209 per £)

BANKS AND HIRE PURCHASE

1979 High	Low	Stock	Price	+ or −	Div. Net	Cvr	Y'ld Gr's	P/E
16	13	Dawes (G. R.)	13	......	—	—	—	—
£121	£75½	Deutsche Bank DM50	£76½	......	Q18%	—	3.1	—
90	63	F. C. Finance	65	......	2.2	4.9	4.8	6.0
8¼	5¼	First Nat. 10p	6¾	−¼	—	—	—	0.5
4	2	Do. Wrrts. 75-83	3	......	—	—	—	—
16¼	13½	Fraser Ans. 10p	14	......	—	—	—	—
252	178	Gerrard Natnl	247	+5	9.12	—	5.3	—
62	45	Gibbs (A.)	46	......	2.2	—	6.8	—
270	217	Gillett Bros. £1	257	−1	16.95	—	9.4	—
29	19	Goode D't Mry. 5p	24	......	0.25	—	1.5	—
153	116	Grindlays	126	−1	3.07	7.5	3.5	3.9
120	97	Guinness Peat	100	......	H5.67	—	8.1	—
330	173	Hambros	300	+2	10.92	—	5.3	—

BANKS & HP—Continued

Hire Purchase, etc.

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DIAMOND AND PLATINUM

CENTRAL AFRICAN

MINES—Continued
AUSTRALIAN

1979 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
14	9	Acmex	12	......	—	—	—
171	110	Bougainville 50 Toea	113	–1	Q15c	1.0	8.2
140	84	BH South 50c	95	–2	—	—	—
760	340	Central Pacific	780	+60	—	—	—
318	182	Conzinc Riotinto 50c	190	+4	¶Q10c	2.0	3.0
36	17	Cultus Pacific N.L.	17	......	—	—	—
21½	11	Endeavour 20c	12½	+½	—	—	—
98	62	G.M. Kalgoorlie $1	87	+1	ZQ3c	—	2.0
42	23	Haoma Gold N.L.	27	+1	—	—	—
174	148	Hamptn Areas 5p	166	......	♦t3.55	2.8	3.1
71½	25	Metals Ex. 50c	52	......	—	—	—
275	180	M.I.M. Hldgs. 50c	185	–1	†Q9c	1.7	2.8
15	15	Minefields Expl.	15	......	—	—	—
74	38	Mount Lyell 25c	43	......	—	—	—
44	15	Newmetal 20c	16	......	—	—	—
141	98	North B. Hill50c	99	......	†Q8c	1.3	4.6
22	11	Nth. Kalgurli	16	+½	—	—	—
40	22	Nth. West Mining	35	+1	—	—	—
137	84	Oakbridge $A1	92	–1	Q12c	1.9	7.6
37	22	Oilmin N. L.	26	......	—	—	—
120	58	Pacific Copper	70	–2	—	—	—
£10¼	625	Pancont'l 25c	700	......	—	—	—
25¾	15½	Paringa M&Ex.5p	19	+3½	—	—	—
510	275	Peko-Wallsend 50c	275	–8	Q15c	3.3	3.1
300	145	Southern Pacific	300	+25	—	—	—
188	128	Westn. Mining 50c	131	......	†Q3c	0.7	1.3
11	9	Westmex	10	......	—	—	—
65	50	Whim Creek 20c	55	......	—	—	—
25	13	York Resources	13	......	—	—	—

TINS

1979 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
30	23	Amal. Nigeria	27	......	2.81	1.3	14.9
435	300	Ayer Hitam $M1	305	–10	Q300c	0.5	21.1
72	51	Beralt Tin	56	......	4.0	3.3	10.2
270	195	Berjuntai $M1	205	......	†Q110c	1.0	12.9
160	145	Geevor	148xd	+3	¶5.57	ф	5.7
10½	8	Gold & Base 12½p	10½	......	—	—	—
365	295	Gopeng Cons.	340	–5	†18.0	1.4	7.6
370	295	Hongkong	335xd	......	†12.5	2.8	5.6
98	64	Idris 10p	87	......	8.0	ф	13.7
14	9½	Jantar 12½p	10	......	←	—	—
95	65	Kamunting $M0.50	65	–5	†Q12.5c	2.1	4.1
630	210	Killinghall $M1	370	......	—	—	—
465	365	Malay Dredging $M1	400	–5	†175c	0.7	1.6
57	32	△Pahang	33	–1	—	—	—
123	60	Pengkalen 10p	104	......	4.5	1.2	6.5
275	205	Petaling $M1	235	–5	†Q120c	1.3	11.0
85	72	Saint Piran	72	–1	†2.03	6.5	4.0
58	48	South Crofty 10p	48	......	†4.19	2.0	12.5
230	170	South Kinta $M0.50	190	–5	†Q145c	0.6	16.4
405	285	Sthn Malayan $M1	375	–5	†Q190c	1.0	10.9
310	210	Sungei Besi $M1	260	–5	mQ65c	5.3	5.4
75	48	Supreme Corp. $M1	50	......	ZQ10c	—	4.3
105	94	Tanjong 15p	101	......	6.60	0.8	9.3
115	90	Tongkah H. Tin	90	–5	†Q24c	0.7	6.0
280	200	Tronoh $M1	205	......	Q25c	5.2	2.7

COPPER

1979 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
111	56	Messina R0.50	86	–1	—	—	—

MISCELLANEOUS

1979 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
81	54	Barymin	66	–1	—	—	—
13½	10	Burma Mines 17½p	13	......	—	—	—
345	170	Cons. Murch. 10c	295	+5	ZQ30c	—	6.3
410	325	Northgate C$1	355	–5	—	—	—
362	226	R.T.Z.	282	–9	11.5	2.7	5.8
31	18	Robert Mines	22	......	—	—	—
65	36	Sabina Inds. C$1	36	......	—	—	—
880	612	Tara Expln. $1	637	–13	—	—	—

GOLDS EX-$ PREMIUM

London quotations for selected South African gold mining shares in U.S. currency excluding the investment dollar premium. These prices are available only to non-UK residents.

1979 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
$17½	$10½	Buffels R1	$14¾	......	Q200c	ф	16.2
$15½	890c	East Drie R1	$14⅝	......	†Q115c	1.6	9.7
950c	350c	East Rand Prp. R1	920c	+20	†Q10c	—	1.3
$27	$18¼	F.S. Geduld 50c	$26¼	+1	†Q315c	2.4	14.0
$19	$11⅛	Pres. Brand 50c	$18⅞	+⅛	†Q150c	3.2	9.4
$18	$10¼	St. Helena R1	$18	+¼	†Q190c	1.4	12.5
760c	407c	Stilfontein 50c	665c	......	†Q66c	ф	12.4
$34⅛	$18¾	Vaal Reefs 50c	$33¾	–¼	Q280c	2.7	9.5
$50¼	$28¾	West Drie R1	$49¼	+¼	Q615c	1.7	15.7
$35¾	$22¼	West Hldgs. 50c	$34¼	......	†Q415c	1.4	14.1
$16¾	$10⅝	Western Deep R2	$16⅛	......	Q47½c	2.1	10.8

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- △ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ф Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividends or forecasts.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¥ Excluding a final dividend declaration.
- ‡ Regional price.
- II No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment; Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1979-80. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1978-79. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Figures based on prospectus or other official estimates for 1978-79. Q Gross. T Figures assumed. Z Dividend total to date. §§ Yield based on assumption Treasury Bill Rate stay unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

"Recent Issues" and "Rights" Page 26

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Albany Inv. 20p	26	......
Bertam	25	......
Bdg'wtr. Est. 50p	410	......
Clover Croft	28	......
Craig & Rose £1	£11½xd	......
Dyson (R. A.) A	36	–2
Ellis & McHdy	68	......
Fife Forge	54	......
Finlay Pkg. 5p	20	+1
Graig Ship. £1	275	......
Higsons Brew	78	......
Holt (Jos) 25p	260	......
I.O.M. Stm. £1	165	......
Pearce (C. H.)	255	......
Peel Mills	30	......
Sheff. Refrshmt	87	......
Sindall (Wm.)	140	......

IRISH

Conv. 9% '80/82	£87⅝	......
Nat. 9¾% 84/89	£79½	......
Fin. 13% 97/02	£88½	......
Alliance Gas	65	......
Arnott	385	–5
Carroll (P.J.)	115xd	......
Clondalkin	86	......
Concrete Prods.	101	......
Heiton (Hldgs.)	81	......
Ins. Corp.	217	......
Irish Ropes	87½xd	......
Jacob	45	......
T.M.G.	190	......
Unidare	86	......

OPTIONS
3-month Call Rates

Industrials

A. Brew	9
BOC Intl.	6
B.S.R.	7
Babcock	18
Barclays Bank	32
Beecham	52
Blue Circle	18
Boots	18
Bowaters	18
B.A.T.	28
Brown (J.)	50
Burton 'A'	26
Cadburys	7
Courtaulds	10
Debenhams	8
Distillers	21
Dunlop	6½
Eagle Star	14
E.M.I.	12
Gen. Accident	21
Gen. Electric	35
Glaxo	50
Grand Met.	14
G.U.S. 'A'	30
Guardian	24
G.K.N.	28
Hawker Sidd	26
House of Fraser	18
I.C.I.	24
"Imps"	8
I.C.L.	55
Inveresk	7
KCA	5
Ladbroke	22
Legal & Gen.	14
Lex Service	11
Lloyds Bank	25
"Lots"	5
London Brick	7
Lonrho	8
Lucas Inds.	25
"Mams"	18
Mrks. & Spncr	11
Midland Bank	30
N.E.I.	14
Nat. West. Bank	28
Do. Warrants	15
P & O Dfd.	10
Plessey	10
R.H.M.	5
Rank Org.	25
Reed Intnl.	19
Sears	5½
Spillers	4½
Tesco	7
Thorn	35
Trust Houses	17
Tube Invest.	30
Unilever	55
U.D.T.	5
Utd. Drapery	10
Vickers	18
Woolworths	7½

Property

Brit. Land	7½
Cap. Counties	9
Land Secs.	25
MEPC	17
Peachey	13
Samuel Props.	14
Town & City	2¼

Oils

Brit. Petroleum	100
Burmah Oil	13
Charterhall	5
Premier	5
Shell	25
Ultramar	25

Mines

Charter Cons.	16
Cons. Gold	20
Rio T. Zinc	27

A selection of Options traded is given on the London Stock Exchange Report page

FINANCIAL TIMES

Saturday June 23 1979

MAN OF THE WEEK

Host to the boat people

BY PHILIP BOWRING

THE GOVERNOR of Hong Kong, Sir Crawford Murray Maclehose, must be surprised to find himself performing on the world stage, with visits to London, New York, Washington, and Geneva. The South East Asian refugee crisis is the first time that Hong Kong, as an entity (albeit colonial) has found itself playing a role in world affairs—other than in the arcane corner of the GATT—and Sir Murray has been thrust into this just at a time when he must have been expecting to phase out. Sir Murray's term of office has been extended three times,

Sir Murray Maclehose
More power than any Minister in Britain.

most recently for six months to tide the British Government through the election period.

Sir Murray seems to have taken to his wider role with relish, combining diplomatic understatement with a canny treatment of the facts worthy of a Scot. Other than Malaysia's shoot-from-the-hip Deputy Prime Minister Dr. Mahathir Mohamad, he has done as much as anyone to make people in Europe and the U.S. aware of the magnitude of the refugee problem.

He may ironically thus may have made it easier to recruit a successor. It is a reflection of the parochialism of British public life that few persons of standing have been interested in being Governor of Hong Kong. Yet this quasi autocratic rule over one of the world's most dynamic societies carries with it more power and responsibility than accrues to almost any Minister in Britain, and certainly more than the prestigious but essentially powerless posts of Ambassador in Washington or Paris.

Sir Murray, now 61, has grown with the job. A product of Rugby and Balliol, he has spent most of his life in diplomacy apart from Navy service during the war, and much of it in the East. Consular duties before and immediately after World War Two took him to Amoy, Foochow and Hankow. He was political adviser in Hong Kong between 1959 and 1963, and Ambassador in Saigon from 1967 to 1969. British policy towards Vietnam at that time did not show any particular wisdom or independence. But scepticism that Sir Murray may have had then, about Hanoi's aims and goodwill are certainly being borne out now.

Hong Kong's achievements under his Governorship have been formidable. The economy has continued to thrive and there have been massive improvements in housing and education—improvements now threatened by the flood of refugees and migrants.

Labour laws have been improved and a serious attack made on corruption. He has presided over the beginning of the transformation of Hong Kong from a very raw refugee society to something a little less ruthless but which still retains the dynamism of a refugee society.

His critics say he has been following a policy dictated more by London than by his own judgment. Certainly he came under a lot of pressure from the Labour Government to increase taxes and social spending. His diplomatic talents were needed to avoid public clashes with London.

China's approval of Hong Kong's situation was expressed by inviting Sir Murray to visit Peking earlier this year where he met Vice-Premier Deng Xiaoping that is the point at which Sir Murray might have liked to retire. Instead the man some of his colleagues refer to as "Jock the Sock"—a play on his name—has been thrust into the refugee crisis. He can take comfort from knowing that Hong Kong's humanitarian policy has at least won it some friends abroad to offset the still lingering image of a cheap sweatshop run by arrogant colonials.

Butter 'to fall by 6p a lb'

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

BUTTER PRICES are expected to fall by 6p a pound as a result of a special EEC butter subsidy for Britain, agreed during the farm price negotiations in Luxembourg.

The subsidy, costing £80m and due to operate for nine months, starts next week. It comes alongside the 1.5 per cent average increase in EEC agricultural prices, except milk, and the 5 per cent devaluation of the Green Pound hammered out in Luxembourg on Thursday night.

There will be a comparable reduction in New Zealand butter prices with a cut in the special levy imposed to bring them nearer EEC levels.

The surprise announcement of the butter subsidy was made by Mr. Peter Walker, the Agriculture Minister, in the Commons yesterday. As a result, he said, the farm price package would bring substantial benefits to both British consumers and farmers.

"This is the best price fixing for British consumers that this country has enjoyed since we joined the Community. It is one of the lowest increases in prices and the biggest increase in subsidies," Mr. Walker said.

The Minister came under bitter attack from Labour MPs for his failure to secure a freeze on farm prices or to make headway in getting reforms of the Common Agricultural Policy. According to Mr. Roy Mason, Labour's shadow Agricultural Minister, Mr. Walker had been "whipped" at Luxembourg and earned Britain the reputation of "the weak man of Europe."

He had betrayed the EEC Commission and personally betrayed Mr. Finn Olav Gundelach, the Agricultural Commissioner, over reform of the CAP, Mr. Mason said.

But Mr. Walker received strong support and endorsement from Tory MPs, who were particularly delighted at the price increases for British farmers.

Mr. Walker maintained that overall the 5 per cent devaluation of the green pound would increase food prices by 1 per cent. But allowing for the butter subsidy this would mean a rise of only one-quarter of 1 per cent in the retail price index.

With the freeze on milk prices, the overall farm price increase agreed at Luxembourg worked out at only 1.2 per cent, not 1.5 per cent, the lowest ever.

He did not speculate what effect the rise in common form prices would have on the retail price index. Ministry of Agriculture officials, however, said that the effect at the moment will be negligible because EEC farm prices are above the intervention level.

The Minister also rejected Labour allegations that he had reneged on the Conservative pledge to press for reforms of the CAP.

He argued that as a result of the deal, the agricultural budget, now running at £6.5bn, would be reduced. Although the 1.5 per cent increase in farm prices would add £75m to expenditure, the green pound devaluation would reduce Community spending by £90m.

Mr. Mason accused him of employing heavy camouflage in his statement. The Government's stated intention had been to get a freeze on agricultural prices yet Mr. Walker had failed in this, even though he had the backing of the entire EEC Commission.

John herrington writes: Mr. Walker continued his defence of his conduct at the Luxembourg negotiations at a Press conference later yesterday. The extra cost of the package to the Community was not between £600m and £900m as reported in Friday morning's Press, but £7.5m, he repeated.

The misunderstanding, he explained, arose because the Commission had hoped for savings from a greatly increased co-responsibility levy on milk which, because he thought it would seriously affect British dairy farmers, he had opposed.

Bank lending to individuals rises 24% in 12 months

BY MICHAEL LAFFERTY

BANK LENDING to individuals increased by 6 per cent in the three months to mid-May, bringing the rise in the 12 months to mid-May to 24 per cent.

Figures yesterday by the Bank of England show that bank lending for hire-purchase rose by 11 per cent in the three months, making the increase for the year highest for any category at 43 per cent. This is believed to reflect gearing-up in the finance-house sector for the recent consumer spending boom.

Bank lending to retail distribution concerns, was 10½ per cent up in the three months, bringing the increase in lending in the past 12 months to 23 per cent. The sharp increase in lending to this sector in the past quarter is probably explained by stocking up before the Budget.

The quarterly figures are difficult to interpret because they are not seasonally adjusted, and there can be distortions because of interest rate changes between periods.

The unadjusted increase in sterling advances and acceptances in the three months occurred mainly in the manufacturing, services and personal categories.

Lending to manufacturing rose by only 4¼ per cent, but the increase for the year to mid-May comes out at 26 per cent.

This is faster that the growth in lending overall, which comes to 22 per cent for the year. Within the manufacturing category the most prominent increases in lending in the three months came in chemicals and allied industries and textiles, leather and clothing.

Lending to agriculture was 9 per cent up for the three months, and 33 per cent for the year as a whole. Seasonal financing factors are thought to be particularly significant here.

Within the big clearing banks it is becoming clear that one or more banks could be in trouble with the "corset" lending restrictions. Individual banks are saying nothing about the Bank of England imposed restriction on lending.

It is being suggested in banking circles that the most likely banks to be facing problems are Barclays and, possibly, National Westminster.

Banking tables, Page 4

Heseltine cancels rating revaluation

By Paul Taylor

UP TO 1,400 civil servants' jobs will be axed and £5m saved over three years as a result of the Government's decision, announced yesterday, to cancel rating revaluation on 22m properties in England and Wales.

The decision, although attacked by local authority associations, will please ratepayers. It means that those who have improved their homes in the last five years will not have to pay higher rates as a result.

The decision was announced by Mr. Michael Heseltine, Environment Secretary, in a written Parliamentary answer. Revaluation has been postponed twice since the present valuations were set in 1973. The Association of District Councils expressed "bitter disappointment." The Association of Metropolitan Authorities said it was "deplorable."

Mr. Heseltine said that, apart from manpower and cost savings, the cancellation will "provide the opportunity for the Government to sort out the longer-term future of the rating system." He suggested that it might be abandoned.

The law requires a general rating revaluation every five years. A revaluation was due in 1978. After the appointment of the Layfield Committee on Local Government Finance, the date for the new lists was postponed to 1980. Work was finally started on the review, to come into effect in 1982, last year.

Some ratepayers have already received the questionnaires. Mr. Heseltine yesterday advised them to "tear them up." The total cost of the review would have been £10m over four years and a total of 1,000 full permanent staff and 400 short-term and casual staff had been taken on by valuation offices.

The Inland Revenue confirmed yesterday that there was a possibility that 1,400 jobs might have to go. This is to be discussed with staff representatives.

Local authority hostility to the decision is based on concern that rates will continue to be collected on the basis of unfair and inaccurate information.

Hope slim for MPs' pay claim

BY ELINOR GOODMAN, LOBBY STAFF

THE Prime Minister returned to London yesterday to be advised that the Government has very little chance of getting the House of Commons to pass its proposals for phasing the proposed increase in MP's pay.

Mr. Norman St. John-Stevas, Leader of the House, is expected to discuss MP's deep hostility to the proposal with Mrs. Thatcher at the weekend.

Mrs. Thatcher leaves London again on Tuesday for the world economic summit in Tokyo. Ministers may therefore not formally discuss the question until the full Cabinet meets again on Tuesday week.

By then, they may be hoping that public opinion will have persuaded MPs to drop their demands for quicker implementation of the Boyle Committee's recommendation that their pay should rise from £6,897 to £12,000.

Yesterday, however the signs that the Government had the choice of modifying its proposals and agreeing to implement the rise in two stages rather than the three rises of £1,700, the last in June 1981, it has decided on, or being defeated in the House.

The 1922 Committee of Conservative backbenchers, which gave Mr. St John-Stevas an extremely hostile reception after Thursday's announcement about pay, is expected to try to arrange a meeting with Mrs. Thatcher as soon as possible.

However, since the Prime Minister is said to feel strongly that the increase should be phased in three stages, MPs consider that it may be difficult to persuade her to change

That means that the motion will probably be amended by the House. A number of MPs hoped that all parties might be able to get together in tabling an amendment.

However, some Labour backbenchers felt it preferable to leave the initiative to the Tories. They suspected that they might be walking into a trap if they associated themselves too closely with a demand for an immediate pay rise of £2,500.

Another row over MPs' pay evaporated at the last minute yesterday. Under the Government's proposals, which were given a second reading, MPs sitting in Europe as well as Westminster, will be paid only one salary.

Continued from Page 1

Money supply

dollar came under renewed pressure in foreign exchange markets yesterday. But in contrast to earlier in the week, sterling lagged behind the main Continental currencies.

The U.S. currency finished slightly above its lowest level following some Central Bank intervention and profit-taking. The dollar closed at DM 1.8550 against DM 1.8580 on Thursday, and at SwFr 1.6535 against a day's low of SwFr 1.6410 and SwFr 1.6605 previously.

The pressure this week has been the strongest this year. Since last weekend the dollar has declined by nearly 2 per cent against the Deutschemark and by 2½ per cent against the Swiss franc.

This has been prompted partly by concern about the U.S. economy, as shown by the recent more rapid growth of the money supply.

Sterling closed only 15 points higher yesterday at $2.1415, after a high of $2.1475. This is the highest closing level since summer 1975. The pound declined against some leading Continental currencies, and the trade-weighted index, measuring the value of sterling against a basket of other currencies, dropped by 0.3 points to 68.6.

Dealers reported some profit-taking after the sharp rise in the pound earlier in the week, up by more than one per cent at one stage.

The trade-weighted index has risen by more than 5.5 per cent since March 13, when the European Monetary System started. This is well outside the permitted range of fluctuations for members of the system, and highlights the pressures which will complicate any British decision on participating in EMS.

The gilt-edged market was fairly quiet following the low level of subscriptions for the two gilt-edged stocks offered for sale on Thursday.

Issue of Manx gold coins

THE MANX Government is issuing gold coins for domestic circulation to mark the 1,000th anniversary on July 5 of the founding of the Tynwald Parliament.

One thousand sets will be made, from a half soverign to a £5 piece. They will be sold at prices well above their face value.

There will also be a new issue of the Viking ship 50p coin which has been available for several years.

Weather

There is no weather forecast because of a one-day strike by meterological officers.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	23	73	London	S	19	66
Algiers	S	28	82	Madrid	S	32	90
Amsdm.	S	17	63	Majorca	S	27	81
Athens	S	26	79	Malaga	S	23	73
Bahrain	S	38	95	Malta	S	27	81
Barclna.	S	24	75	Melbne.	C	12	54
Beirut	S	29	84	Milan	S	26	79
Belgrd.	R	15	59	M'ntreal	C	23	74
Berlin	S	26	79	Moscow	F	22	72
Biarritz	F	20	68	Munich	S	22	72
Bordx.	F	22	72	Nairobi	C	21	69
Boulgn.	S	16	61	Naples	F	25	77
Brussels	C	18	64	N. York	C	20	68
Budpst.	R	22	72	Nice	S	22	72
Cairo	S	38	96	Nicosia	S	28	82
Cas'b'ca	F	21	70	Oporto	R	18	64
Cape T.	S	20	68	Oslo	C	18	64
Chicago	C	22	72	Paris	F	21	70
Cologne	R	15	59	Perth	S	21	70
Cpnhgn.	S	24	75	Prague	S	23	72
Corfu	S	24	75	Reykjvk.	C	10	50
Dublin	C	16	61	Rhodes	S	25	77
Dbrvnk.	S	22	72	Rio J'o	S	25	77
Faro	S	21	71	Rome	S	25	77
Florence	S	26	79	Salzb'rg	S	24	75
Frankf't	R	17	63	Singapr.	S	29	84
Funchal	C	21	70	Stckhm.	S	24	75
Geneva	R	17	63	Strasb'g	R	19	66
Gibrltr.	S	27	81	Sydney	R	15	59
G'nsey	S	13	55	Tel Aviv	S	28	82
Helsinki	S	23	73	Tokyo	C	32	90
H. Kong	S	31	86	Toronto	C	22	72
Innsbr'k	S	24	75	Tunis	S	28	82
Istanbul	F	25	77	Valencia	S	26	79
Jersey	S	14	57	Venice	S	24	75
Jo'burg	S	12	54	Vienna	F	21	70
L. Plms.	S	23	73	Warsaw	R	21	70
Lisbon	C	19	66	Zurich	F	18	64

C—Cloudy. F—Fair. R—Rain. S—Sunny.

Continued from Page 1

Air services disrupted

At Gatwick, seven planned flights in 10 took place, although delay ran to 1½ hours. Stansted airport was unaffected.

No aircraft took off from Glasgow. Some 158 flights were affected, with many passengers for London being taken by coach to Edinburgh airport.

The British Airports Authority gave a warning that departures from Heathrow were likely to be affected for "at least" several hours today.

Although the union and the Civil Aviation Authority agreed that about nine out of ten of the 1,500 key air traffic control officers ignored the strike call, flights were handicapped by action by weather forecasters and by engineers who provide computer equipment.

The Meteorological Office said that basic weather information was provided for air and sea traffic although television and radio stations received no reports.

Government dockyards, including Devonport, Chatham, Portmouth, Rosyth and the Clydeside nuclear bases were all stopped

The nuclear reprocessing plant at Windscale closed and fuel element production at the Springfields plant at Present and uranium enrichment at the Capehurst works in Cheshire

The Fylingdales early warning station in North Yorkshire was closed; the Royal Mint at was stopped; and 2,500 lorries were unable to take MoT tests.

The Civil Service Department estimated that 60-70 per cent of the 40,000 professional and technical staff and 50-60 per cent of the 20,000 scientists' whose pay claims are at the centre of the dispute were on strike.

Other IPCS members taking action included Scotland Yard fingerprint officers, civil engineers, architects, vets, accountants, intelligence officers, actuaries, surveyors and mechanical and electrical engineers.

THE LEX COLUMN

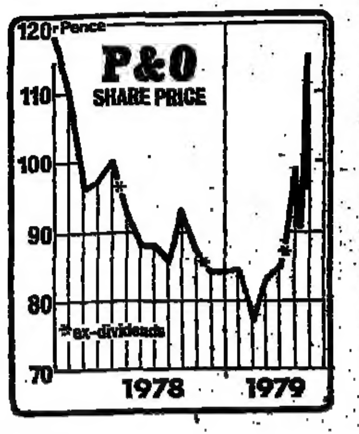
Foreigners play a waiting game

There is a crucial element missing from the British stock market: foreign demand. Sterling has been buoyant this week, rising to over $2.14—its highest level for four years. Normally the big international investors follow currency trends quite closely, so that stock markets move very much in line with exchange rates. In early 1977, for example, overseas investors bought heavily into the British market when interest rates were high and the exchange rate was firm. In February and March this year, too, they were strongly in evidence. But when the Bank of England on Thursday made offers of two partly paid issues of Government stock—the kind of issue which is reckoned to attract the attention of foreigners—the response was poor.

So the stock market indices have stayed near their low post-budget levels this week—the FT Government Securities Index is up slightly on the five days, but the 30-Share Index is a net 2.5 points lower. The foreigners may be impressed by Britain's oil wealth, but they are suspicious about our inflation and worried by the bad performance of British industry. Moreover long term interest rates are not as high as they were in February, and many of the overseas speculators who dabbled in UK bonds and shares earlier in the year have had their fingers burnt.

The City's lunch tables are still buzzing with stories about big foreign buyers who are only waiting for the right moment to come in. But in the meantime domestic investors hold sway, and they are not particularly flush with liquidity for the time being (though the £300m put up for the STC offer for sale on Thursday shows that they still have a penny or two to rub together). The outlook is unexciting in the very short term. Yet July is a good month for cash inflows to the investment institutions so demand could build up as the weeks go by.

Index rose 1.1 to 476.0



P & O

P & O has got a geed price for its North Sea oil interests. Even those who argue that the group should have hung on to these assets at almost whatever cost concede that the £32m which BP is paying—primarily for a 15 per cent stake in the Beatrice Field—would have been very difficult to turn down. It is at least 50 per cent more than might have been expected on the basis of the price which the British National Oil Corporation put up to get into the Beatrice Field in April—which helps to show what recent events have done to the value of North Sea oil.

The disposal brings a book profit of around £20m, and relieves P & O of capital commitments of £46m in the period up to 19881—which could have been a good bit more in the event of any hold-ups. Simultaneously, the group has announced the sale of the loss-making Bovis interests in Canada, which takes maybe another £10m of debt out of its balance sheet.

Most of the North American energy business is also coming u pfor sale, although probably not until 1980, and that could well fetch more than Beatrice. The book value is nearly £25m, mostly financed by debt. P & O is also negotiating the disposal of its oil base in Montrose, and it still expects to get rid of one or two of its new £35m gas carriers. The market here is apparently movin gin its favour, and so P & O says that it is not in any great hurry.

The sales programme stops there. At the same time, capital spending has been reined back sharply, and the group does not expect to be ordering any new ships for another couple of years. It is currently putting only about £20m a year into fixed assets, a figure which is more than twice covered by the depreciation charge. Debt repayment is running at very roughly £50m a year, part of which will abviously be rolled forward.

If all goes according to plan total borrowings could fall b £150m or more by the end o 1980. Last December, the amounted to £392m which wa very roughly in line with share holders' funds. The profi picture remains obscure, fo although rates are improvin in some areas the strength o sterling must be a problem However the City seems to hav come round to the view that th dividend yield of just unde 10 per cent is safe enough. An if world trade is heading for mild recession in 1980, the r shaped P & O should be reason ably secure in financial term That does not make the share look particularly cheap at 96 but it may be that the days o outright despondency about th share price are over.

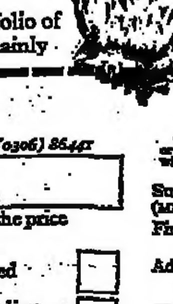
GKN

GKN will be left with A$90 (£47m) if the sale of its share in John Lysaght, Australian steel sheet compan goes through. Merely deposit in the Australian money mark at 9 per cent, this will bene GKN more than the sharehol ing. Lysaght passed its divide in the last two years in defe ence to the substantial debt had incurred through spendi on new plant. The histor earnings yield on the price GK is being paid is, itself, only 2 per cent.

Although GKN will be taki a below-the-line book loss about £37m into its 19 accounts as a result of this sa the company has put no n capital into Lysaght—short waived dividends—during t decade. The purchaser, Brok Hill Proprietary, provided t last major capital injecti when it increased its equ stake to 50 per cent.

The sale is by far the larg in GKN's recent string disposals. For about two yea now the company has be intent on giving itself a simpl and more clearly defined str ture, with the manufacture a distribution of automotive co ponents being the most obvio area of increased emphasis.

Lysaght was GKN's or interest in the manufacture steel sheet, and the origi plans of its two shareholders expand the company upstre into steel making we scuppered by the steel slun The A$90m, which includ A$2½m of dividend for t current year, can be set asi for GKN's international exp sion—another of the basic ai of the group's reorganisation.



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